

**Policy Type: Executive Responsibilities 8 (Financial Administration)**

**Board Review/Approval Date: May 8, 2018**

The Superintendent shall assure that the District budget is managed consistent with the Board’s adopted budget and budget policies and in such a way as to assure that the long-term financial health of the District is maintained and includes conditions that do not jeopardize the ability of the District to achieve the Board’s Ends policies.

<b>Therefore, the Superintendent will:</b>	<b>Evidence Requested/Presented</b>	<b>Board Notes</b>	<b>In Compliance</b>	<b>Not in Compliance</b>	<b>Follow-up Review Date</b>
1. Seek authorization by the Board if funds expended exceed revenue received through the utilization of available reserves or through the use of other legal revenue resources.	The 2016-17 budget provided authorization for the General Fund to expend (\$2,966,558) more than revenue. As displayed on the 2016-17 year end report (F-196) actual Expenditures/Transfers exceeded actual Revenues by (\$2,371,816).		X		
2. Maintain and protect the minimum maintenance of funds balance in an amount equal to or greater than 6.0% of total expenditures.	The 2016-17 school year ended with the required minimum 6% fund balance. The expenditures (\$35,668,740) were subject to the 6% rule and the fiscal year closed with \$2,140,124 in the unassigned to minimum fund balance policy.		X		
3. Assure that payroll and debts are administered and settled in a timely manner.	The District Business Services Department keeps an accurate record of past due accounts and tracks to resolution any outstanding or pending action. Internal controls and processes are in place to assure the timely payment of financial obligations.		X		

<b>Therefore, the Superintendent will:</b>	<b>Evidence Requested/Presented</b>	<b>Board Notes</b>	<b>In Compliance</b>	<b>Not in Compliance</b>	<b>Follow-up Review Date</b>
4. Assure that the state and federal agency reports are accurate and filed by established deadlines or within an allowable, approved timeline extension.	SEFA (Schedule of Expenditures of Federal Awards) was reported to the State Auditor's Office. Annual Financial Statement (F-196), Annual Budget (F- 195), and Budget Extensions (F-200) were filed to OSPI according to required filing deadlines.		X		
5. Assure the annual audit of all District funds and accounts.	The 2016-17 audit was completed. The final report confirmed full correction of prior year audit finding regarding time and effort compliance.		X		
6. Assure that the District aggressively pursues receivables after a reasonable grace period;	The district has a procedure for collecting accounts receivables in a timely manner. In cases of insufficient funds, the account is turned over to Columbia Collectors. The District continues to use reasonable means to collect student fees and fines and outstanding ASB accounts. Notifications were sent to the parents/guardians of all active students owing fees or fines. They received balance information as well as notification of the upcoming impacts to participation if fees/fines are not paid. When appropriate, concerns of equity and affordability are addressed on an individual case-by-case basis.		X		

<b>Therefore, the Superintendent will:</b>	<b>Evidence Requested/Presented</b>	<b>Board Notes</b>	<b>In Compliance</b>	<b>Not in Compliance</b>	<b>Follow-up Review Date</b>
<p>7. Assure that the District completes accurate financial records by funds and accounts in accordance with State requirements and established fiscal accounting procedures as reflected in generally accepted accounting practices;</p>	<p>The state required Annual Financial Statement (F-196), which is a summary record of all financial records for all funds and accounts in a specific school year, are prepared on an “other comprehensive basis of accounting” (OCBOA) as prescribed by the Administrative Budgeting Finance Reporting Handbook and Accounting Manual for Public School Districts in the State of Washington. Although OCBOA is in significant compliance with “generally accepted accounting practices” (GAAP) the state auditor (SAO) may no longer issue an unqualified opinion on the fair presentation of the financial statements in all material respects in accordance with GAAP. Therefore, this is the first year in which the state auditor (SAO) has issued an adverse opinion for all school districts not issuing full GAAP financial statements. This change in opinion has not affected nor anticipated to affect the District’s bond rating. SAO did issue an unmodified opinion on the regulatory basis of accounting as defined in the state schools Accounting Manual.</p>		X		
<p>8. Include a financial condition statement annually as a part of the District’s Annual Report to the public.</p>	<p>A summary of the current year’s budget for 2017-18 was posted for the community on the district website, and the budget summary will be in the Annual Community Report.</p>		X		

<p>9. Prohibit commercial entities from advertising or implying a district endorsement of any product that is disruptive, distasteful or distracting to the educational environment of district schools.</p>	<p>The Superintendent reviews all requests for school distributions and approves those that are deemed to be appropriate, not representative of an endorsed product, and not disruptive, distasteful or in excess. For-profit or businesses that offer services that might be of interest to district patrons can be posted on school and district community information bulletin boards where they exist upon the approval of the superintendent and the principal of an individual school. A file of approved distributions is maintained with the Superintendent's administrative assistant.</p>		<p>X</p>		
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