

## **Business/Non-Instructional Operations**

### **System of Accounts**

The accounting systems and procedures for the school district shall be set up so as to conform to best business practice, generally accepted accounting practices and existing guides from the State Department of Education. The Superintendent and business staff will be expected to confer with appropriate specialists of the State Department of Education, school district auditors and any other knowledgeable persons or groups in achieving that objective.

It is understood by the Board that support for the purposes of the school shall be a prime objective of the accounting systems and procedures.

As advised by the Board's auditor, determination of liabilities and assets, prioritization of expenditures of governmental funds and provisions for accounting disclosures shall be made in accordance with governmental accounting standards. This process shall include leave accumulated by employees and all Board properties and funds.

For each fiscal year, the Board of Education (Board) will implement the uniform system of accounting for school revenues and expenditures developed by the Office of Policy Management (OPM) in cooperation with the State Department of Education. Such uniform system shall include a chart of accounts to be used at the school and district level.

Such chart of accounts shall include, but not be limited to, all amounts and sources of revenue and donations of cash and real or personal property in the aggregate totaling five hundred dollars or more, including federal impact aid, received by the Board on behalf of the District or individual school.

The Board shall implement such uniform system of accounting by completing and filing annual financial reports with the State Department of Education using the chart of accounts. Such information shall be certified by an independent public account selected to audit municipal accounts.

Legal Reference:       Connecticut General Statutes

10-10c Uniform system of accounting. Chart of accounts. Audit. (as amended by PA 19-117, Section 249)

10-222(b) Appropriations on budget. Financial Information System, (as amended by PA 12-116, An Act Concerning Educational Reform)

10-227 Returns of receipts, expenditures and statistics to Commissioner of Education. Verification mandated. Penalty.

PA 13-247, An Act Implementing Provisions of the State Budget for the Biennium Ending June 30, 2015 Concerning General Government, Section 257

## Business/Non-Instructional Operations

### System of Accounts (continued)

***Note: Legal: The Governmental Accounting Standards Board (GASB) has issued Statement #54 – Fund Balance Reporting and Governmental Fund Type Definitions, to address how governmental fund balances are to be reported in financial statements, effective June 15, 2010. On advice of the Superintendent/designee and the Districts’ CPA and other accounting advisors, the Board will need to set the order in which “restricted, committed, assigned, and unassigned” governmental funds are to be spent. Note: GASB 54 affects only the reporting of governmental funds in general purpose external financial reports in conformity with generally accepted accounting principles (GAAP). School districts may continue to use any funds they choose or are required to use for their internal accounting or for special purpose reporting. Financial implications: Possible increase in the cost for auditor assistance.***