

## FISCAL MANAGEMENT

File: DI-R

### FINANCIAL ACCOUNTING AND REPORTING

1. The Director of Finance, as the Superintendent's designee, shall establish and be responsible for a division's appropriate accounting system that will satisfy the Virginia Department of Education's regulations regarding accounting practices and applicable federal, state and local laws.
2. All detailed processes for financial accounting, reporting, and inventory are described in the Finance Procedure Manual located at each school site and with each budget holder.

#### Financial Accounting and Reporting

1. The Director of Finance shall provide the Superintendent monthly financial statements, including statements of revenues and expenditures, showing the financial condition of the division as of the last day of the preceding month.
2. The Superintendent shall provide this report to the School Board.
3. School food service funds and textbook funds will be held in separate, interest-bearing, bank accounts.
4. Annually, the Director of Finance shall prepare a report of all expenditures to be given to the Superintendent. The Superintendent shall give this report to the City Council.

#### Inventories

1. The Assistant Superintendent for Administrative Services, as the designee of the Superintendent, will be responsible for the inventory of all fixed assets of the school division.
2. All items valued in excess of \$200 are charged to an object code and all fixed assets valued at over \$5000 shall be audited annually.

#### School Level Accounting System

1. Each school shall be required to maintain an accurate, up-to-date central accounting system of all money collected or disbursed by the school. These funds will be deposited in accounts in the name of the school.
2. A record of all receipts and disbursements will be maintained in accordance with the latest edition of Department of Education's Guidelines for Student Activity Funds as promulgated by the Superintendent and in accordance with regulations issued by the State Board of Education.

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3. The principal will prepare and forward to the Director of Finance monthly financial statements, including statement of revenues and expenditures, showing the financial condition of the school as of the last day of the preceding month.

### Audits

1. All financial records of the division will be audited following the close of each fiscal year. A copy of the audit and management letter will be submitted to the Superintendent.
2. The Director of Finance will review the audit and management letter with the Superintendent.
3. The Superintendent shall distribute a copy of the audit and management letter to all School Board members.

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Legal Reference: Code of Virginia, 1950, as amended, sections 15.2-2511; 22.1-68; 22.1-90; 22.1-115,22.1-121

8 VAC 20-270-10 et seq.

8 VAC 20-290-10.

Cross References: DA Management of Funds  
DB Annual Budget  
DG Custody and Disbursement of School Funds  
DGC School Activity Funds  
DGD Funds for Instructional Materials and Office Supplies  
ECA Inventory and Reporting of Loss or Damage