

Regulation 3400: Management Of District Assets/Accounts

Status: ADOPTED

Original Adopted Date: 10/01/1993 | **Last Revised Date:** 12/01/2023 | **Last Reviewed Date:** 12/01/2023

Accounts

The district's accounting system shall fully comply with the definitions, instructions and procedures set forth in the California Department of Education ~~School Accounting Manual. (Education Code 41010)~~ (CDE) School Accounting Manual. (Education Code 41010)

The district shall utilize CDE's standardized account code structure (SACS) software to develop financial reports. The district's accounting system shall comply with generally accepted accounting principles prescribed by the Governmental Accounting Standards Board (GASB) and meet other state and federal reporting guidelines.

The Superintendent Chief Learning Officer or designee shall ensure that funds are encumbered in the district accounting records immediately after an expenditure is committed for subsequent payment.

Fraud and Misappropriation of Funds

Fraud, financial improprieties, or irregularities include but are not limited to:

~~(cf. 3110 - Transfer of Funds)~~

~~Fraud Prevention and Investigation~~

~~Fraud, financial improprieties or irregularities include but are not limited to:~~

1. Forgery or unauthorized alteration of any document or account belonging to the district
2. Forgery or unauthorized alteration of a check, bank draft, or any other financial document
3. Misappropriation of funds, securities, supplies, or other assets
4. Impropriety in the handling of money or reporting of financial transactions
5. Profiteering as a result of insider knowledge of district information or activities
6. Disclosing confidential and/or proprietary information to outside parties

~~(cf. 4119.23/4219.23/4319.23 - Unauthorized Release of Confidential/Privileged Information)~~

7. Disclosing investment activities engaged in or contemplated by the district

~~(cf. 3430 - Investing)~~

8. Accepting or seeking anything of material value from contractors, vendors, or persons providing services or materials to the district
9. Destroying, removing, or inappropriately using of records, furniture, fixtures, or equipment
10. Failing to provide financial records to authorized state or local entities
- 11. Overstating income, expenses, or misreporting time**
- 12. Failing to report a conflict of interest**
- ~~11.13.~~ Any other dishonest or fraudulent act

District Investigation

The Superintendent Chief Learning Officer or designee shall investigate reports of fraudulent activity in a manner that protects the confidentiality of the parties and the facts. All employees involved in the investigation shall be advised to keep information about the investigation confidential.

If an investigation substantiates the occurrence of a fraudulent activity, the Superintendent Chief Learning Officer or designee shall issue a report to appropriate personnel and to the Governing Board. The final disposition of the matter ~~and~~, any decision to file a criminal complaint or refer the matter to the appropriate law enforcement and/or regulatory agency for independent investigation ~~shall~~, **and discussing or disclosing the result of any investigation shall** be made in consultation with legal counsel.

County Office of Education Investigation

~~The result of the investigation shall not be disclosed to or discussed~~**district shall cooperate with anyone the County Superintendent of Schools, Fiscal Crisis and Management Assistance Team (FCMAT), law enforcement, or other than those individuals governmental entities that conduct a fraud investigation, in accordance with a legitimate need to know.** (Education Code 1241.5)

~~(cf. 4112.6/4212.6/4312.6 - Personnel Files)~~

~~(cf. 4119.1/4219.1/4319.1 - Civil and Legal Rights)~~