

Financial Administration

With respect to the actual, ongoing financial condition and activities of the district, the superintendent shall not cause or allow fiscal jeopardy or a material deviation from the annual budget or any budget policies adopted by the Board, or any fiscal condition that is inconsistent with achieving the district's objectives.

Expending district funds

The superintendent shall take reasonable steps to ensure that only funds that have been received in the fiscal year to date are expended, unless authorized by Board resolution.

Reporting to Board and community

Audits

All district funds and accounts shall be audited by an independent auditor annually in accordance with state law and Board policy concerning the annual audit. All district funds and accounts shall be audited internally on a quarterly basis. Timely and appropriate corrective actions shall be taken in accordance with any internal or external audit findings.

The Board shall receive all audit reports and be informed of all corrective actions taken.

Financial reports

Monthly reports

The superintendent or designee shall prepare and submit to the Board a monthly cash receipts and disbursements report.

Quarterly reports

The superintendent or designee shall prepare and submit to the Board a quarterly fiscal actions report of all district funds. The quarterly report shall include:

- the actual amounts spent and received as of the date of the report from each of the funds budgeted by the district for the fiscal year, expressed as dollar amounts and as percentages of the annual budget
- the actual amounts spent and received for each fund for the same period in the preceding fiscal year, expressed as dollar amounts and as percentages of the annual budget
- the expected year-end fund balances, expressed as dollar amounts and as percentages of the annual budget
- a comparison of the expected year-end fund balances with the amount budgeted for that fiscal year

- details on the district's major tax and revenue sources, with variance analysis that shows the factors that are affecting revenue inflow.

The format and basis for reporting shall be consistent with the adopted budget and the past year's generally accepted accounting procedures results.

Reconciliation report

The superintendent or designee shall prepare for the Board an itemized reconciliation between the fiscal year-end fund balances based on the budgetary basis of accounting and the modified accrual basis of accounting. The reconciliation shall include, but is not limited to, the liability for accrued salaries and related benefits. The reconciliation shall be included with the final version of the amended budget and the annual audited financial statements.

The Board shall receive all financial reports in a timely manner and be informed of all corrective actions taken.

The superintendent or designee shall conduct quarterly financial reviews with the Board using reports described above.

The Board may request other financial reports as needed.

Oral notification

The superintendent shall assure that immediate verbal notification be given to the Board regarding any potential financial problem or any matter that may affect the district's financial condition or ability to achieve its mission.

Available to public

All financial and audit reports shall be made available to the public and shall be posted online in accordance with the Public School Financial Transparency Act.

Legally-required reports

Reports and filings required by state and federal law and agencies shall be accurately and timely filed.

Record keeping

Complete and accurate financial records shall be kept for all district funds and accounts.

Operating losses or deficits

The superintendent, as well as all fund directors, program directors, department heads and school principals, shall take all reasonable steps to identify funds, programs, departments or schools that may end the fiscal year with an operating loss or deficit. A corrective action plan shall be developed and implemented within 30 days of such identification.

The superintendent, as well as all fund directors, program directors, department heads and school principals, shall develop and implement processes whereby variations or deviations in cash flow, revenues or other important financial indicators can be identified and dealt with in a timely manner.

Employee reporting

The superintendent shall develop and implement procedures to encourage all district employees to report suspected financial problems or wrongdoing. No adverse employment decisions shall be taken in response to a good faith report by an employee.

Contingency planning

The superintendent or designee shall continually be aware of the financial and political landscape both internally and externally and shall develop contingency plans against possible events.

Adopted: date of manual revision

LEGAL REFS.: C.R.S. 22-2-113.8 *(annual report required regarding additional local property tax revenues received and the amount distributed directly to the district's schools)*
C.R.S. 22-44-105 (1.5)(b) *(itemized reconciliation)*
C.R.S. 22-44-301 *et seq. (Public School Financial Transparency Act)*
C.R.S. 22-45-102 (1)(b) *(quarterly financial reports)*

Financial Administration

(Online Posting of Financial Information)

The Public School Financial Transparency Act, C.R.S. 22-44-301 *et seq.* (the Act) requires the district to post financial information online, in a downloadable format, for free public access. Once posted, the Act requires the district to maintain the prior two budget years' financial information online until the end of the current budget year.

In accordance with the Act, the district shall post the following financial information and shall update the information within 60 days after the district's completion or receipt of the applicable report, statement or document:

- Annual budget
- Annual audited financial statements
- Salary schedules or policies pertaining to salaries
- A link to the district's federal form 990, 990-EZ or 990-PF and any associated schedules that the district files*

The district shall post and update the following financial information, on an annual basis:

- Actual expenditures, including salary and benefit expenditures reported by job category specified in the chart of accounts, at the district level and school-site level. This information shall be posted in a format that can be sorted.

Small rural school districts that enroll less than 1,000 students are not required to report expenditures at the school-site level except for those school-site level expenditures that the district charges to a district charter school.

If the Board adopts a plan for distributing additional mill levy revenue pursuant to C.R.S. 22-32-108.5 (4), the district shall post a copy of the plan and shall update it within 30 days after the Board adopts a new or updated plan.*

If the Board does not adopt a plan for distributing additional mill levy revenue pursuant to C.R.S. 22-32-108.5 (4), the district shall post the following information, and shall update it within 30 days after the end of each budget year:*

- a statement of intent to distribute at least 95% of the additional mill levy revenue to the district's charter schools and innovation schools on a per-pupil basis
- a statement of the total amount of additional mill levy revenue collected by the district for each property tax year
- if applicable and as provided by Board policy,
 - the amount distributed to support students:
 - enrolled in alternative education campuses
 - who qualify for free or reduced-price meals
 - who are identified as English Language Learners

- who have individualized education programs
- the total amount distributed for the above student populations and on a per-pupil basis to each charter school and innovation school, as a percentage and as a dollar amount

In addition to the information provided above, the district shall provide a link to the Colorado Department of Education's website, or the address for the website, where a member of the public may access information or reports that are submitted directly to the department.

Waivers

The Act also requires that if the district has received a waiver of state law or regulation from the State Board of Education, the district shall post a list of waivers it has received. For each statutory waiver posted, the district shall post a copy of the plan that explains the manner in which the district will meet the intent of the waived statute. The district must then update its waiver list within 30 days after a waiver is revoked or a new waiver is granted.

Issued: July 17, 2019