



**ADULT EDUCATION**

# **Fiscal Control Policy: Finance and Assets**

**Pathways Academy Adult Education**

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**FINANCE AND ASSETS FISCAL POLICY**

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**FINANCE AND ASSETS FISCAL POLICY****FINANCE****Financial Reporting**

1. The Executive Director and fiscal services staff will work in coordination to prepare the annual financial budget for approval by the Board of Directors including revenue calculators and assumptions at the time of budget adoption.
2. The Director of Fiscal Services shall submit a monthly balance sheet and monthly revenue and expense summaries to the Executive Director including a review of the discretionary accounts and any line items that result in a budget variance of \$10,000, or 3% whichever is higher. As informational items only and not requiring Board action, the Director of Fiscal Services shall submit a financial update listing estimated year-end total based on actuals to date with projections.
3. The Director of Fiscal Services will provide the CEO, Executive Director and/or Board of Directors with additional financial reports, as needed or requested in addition to the reports as specified in Education Code section 47604.33, namely:
  - a. On or before June 20, a preliminary budget;
  - b. On or before December 15, a first interim financial report, reflecting changes through October 31;
  - c. On or before March 15, a second interim financial report, reflecting changes through January 31;
  - d. On or before September 15, a final unaudited report for the full prior fiscal year
4. Reports will be provided to authorizing school districts and county offices of education within their prescribed budget timelines.

**Retention of Records**

1. Public Records Act. The School agrees that all of its records that relate in any way to the operation of the School shall be treated as public records subject to the requirements of the California Public Records Act (Cal. Gov. Code, § 6250 *et seq.*) as well as Education Code section 47604.3
2. Financial records, including transaction ledgers, attendance and entitlement records, and payroll records will be retained for a minimum of seven (7) years. At the discretion of the Board of Directors or Executive Director, certain documentation may be maintained for a longer period of time.
3. Financial records shall be shredded and securely recycled at the end of their retention period.
4. Appropriate back-up copies of electronic and paper documentation, including financial and attendance accounting data, shall be regularly prepared and stored in a secure off-site location, separate from the School.

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**FINANCE AND ASSETS FISCAL POLICY****ASSETS****Asset Inventory**

Non-Capitalized Equipment - Equipment with a value of less than \$5,000.00 and more than \$1,000 is considered non-capitalized equipment. Non-capitalized equipment shall be marked with an inventory identification tag and shall be accounted for by serial number, description, location, and cost. All non-capitalized equipment (100%) will be physically inventoried annually prior to the end of the fiscal year, in dictating the condition and location of the asset. The Executive Director and CEO shall immediately be notified of all cases of theft, loss, damage or destruction of assets.

Transfer of Assets to Other Pathways Schools - The Executive Director shall prepare and submit to the Board of Directors written notification of plans for disposing of assets with a clear and complete description of the asset and the date of disposal. In the event a Pathways School closes, non-capitalized equipment shall be distributed to the remaining open school(s). The School will take ownership of the assets and follow the aforementioned measures to accurately inventory the additional assets.

Depreciation Method - Non-capitalized assets are depreciated using the straight line method.