



## **Chico Unified School District**

1163 East Seventh Street, Chico, CA 95928-5999  
(530) 891-3000

**Administrative  
Regulation:**

**#3400**

**Section: 3000**

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## **MANAGEMENT OF DISTRICT ASSETS/ACCOUNTS**

### **Accounts**

The district's accounting system shall fully comply with the definitions, instructions and procedures set forth in the California Department of Education (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 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:

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
7. Disclosing investment activities engaged in or contemplated by the district
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
13. Any other dishonest or fraudulent act



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### District Investigation

The Superintendent 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 or designee shall issue a report to appropriate personnel and to the Board of Education. The final disposition of the matter, any decision to file a criminal complaint or refer the matter to the appropriate law enforcement and/or regulatory agency for independent investigation, and discussing or disclosing the result of any investigation shall be made in consultation with legal counsel.

### County Office of Education Investigation

The district shall cooperate with the County Superintendent of Schools, Fiscal Crisis and Management Assistance Team (FCMAT), law enforcement, or other governmental entities that conduct a fraud investigation, in accordance with law. (Education Code 1241.5)

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**Policy Reference Disclaimer:** *These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.*

<b>State</b>	<b>Description</b>
Ed. Code 1241.5	<u><i>Audit by county superintendent</i></u>
Ed. Code 14500-14508	<u><i>Financial and compliance audits</i></u>
Ed. Code 35035	<u><i>Powers and duties of the superintendent; transfer authority</i></u>
Ed. Code 35250	<u><i>Duty to keep certain records and reports</i></u>
Ed. Code 41010-41023	<u><i>Accounting regulations; budget controls and audits</i></u>
Ed. Code 42600-42603	<u><i>Control of expenditures</i></u>
Ed. Code 42647	<u><i>Drawing of warrants by district on county treasurer; form; reports, statements, and other data</i></u>
Elec. Code 1090-1099	<u><i>Prohibitions applicable to specified officers</i></u>
Gov. Code 53995-53997	<u><i>Obligation of contract</i></u>
Gov. Code 84308	<u><i>Campaign Disclosure</i></u>
Gov. Code 87100-87500	<u><i>Political Reform Act</i></u>

<b>Management Resources</b>	<b>Description</b>
Governmental Accounting Standards Board Pub.	<u><i>Implementation Guide No. 2019-3, Leases, August 2019</i></u>



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Governmental Accounting Standards Board Pub.	<u><a href="#">Implementation Guide No. 2023-1, Implementation Guidance Update –2023, June 2023</a></u>
Governmental Accounting Standards Board Statement	<u><a href="#">Statement 96, Subscription-Based Information Technology Arrangements, May 2020</a></u>
Governmental Accounting Standards Board Statement	<u><a href="#">Statement 87, Leases, June 2017</a></u>
Governmental Accounting Standards Board Statement	<u><a href="#">Statement 34, Basic Financial Statements and Management's Discussion and Analysis - For State and Local Governments, June 1999</a></u>
Website	<u><a href="#">CSBA District and County Office of Education Legal Services</a></u>
Website	<u><a href="#">Governmental Accounting Standards Board</a></u>
Website	<u><a href="#">California Department of Education, Finance and Grants</a></u>
Website	<u><a href="#">California State Controller</a></u>
Website	<u><a href="#">CSBA</a></u>
Website	<u><a href="#">Fiscal Crisis and Management Assistance Team</a></u>
Website	<u><a href="#">California Association of School Business Officials</a></u>
Website	<u><a href="#">School Services of California, Inc.</a></u>

**Cross References**

<b>Code</b>	<b>Description</b>
3000	Concepts And Roles
3100	Budget
3110	Transfer Of Funds
3230	Federal Grant Funds
3300	Expenditures And Purchases
3312	Contracts
3314	Payment For Goods And Services
3314.2	Revolving Funds
3430	Investing
3440	Inventories
3451	Petty Cash Funds
3452	Student Activity Funds
3460	Financial Reports And Accountability
3470	Debt Issuance And Management
3511	Energy And Water Management



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<b>Code</b>	<b>Description</b>
3530	<i>Risk Management/Insurance</i>
3551	<i>Food Service Operations/Cafeteria Fund</i>
4112.6	<i>Personnel Files</i>
4119.1	<i>Civil And Legal Rights</i>
4119.23	<i>Unauthorized Release Of Confidential/Privileged Information</i>
4151	<i>Employee Compensation</i>
4212.6	<i>Personnel Files</i>
4219.1	<i>Civil And Legal Rights</i>
4219.23	<i>Unauthorized Release Of Confidential/Privileged Information</i>
4251	<i>Employee Compensation</i>
4312.6	<i>Personnel Files</i>
4319.1	<i>Civil And Legal Rights</i>
4319.23	<i>Unauthorized Release Of Confidential/Privileged Information</i>
4351	<i>Employee Compensation</i>
5126	<i>Awards For Achievement</i>
9124	<i>Attorney</i>
9270	<i>Conflict Of Interest</i>