

**SAN DIEGO COOPERATIVE CHARTER SCHOOL  
BOARD POLICY**

|   |   |                 |
|---|---|-----------------|
| <b>Subject:</b><br><br><b>MANAGEMENT OF ASSETS AND ACCOUNTS</b> | <b>Directive No.</b><br><b>BP 3400</b>    | <b>Page No.</b> |
|   | <b>Effective Date:</b><br><b>11/07/02</b> | Page 1 of 1     |

In order to oversee the school's financial integrity, the Board desires to have a clear picture of the school's current financial condition readily available at all times. Audits and quality control reviews shall be conducted in accordance with law.

The school's accounting system shall provide ongoing internal controls and a means of ascertaining that the school's income and expenditures are in keeping with the adopted budget.

**Legal References:**

**Education Code**

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| 14500-14508 | Financial and compliance audits, especially:   |
| 14503       | Standards; use of audit guide; independent auditors; quality control reviews   |
| 14505       | 14504.2 Quality control reviews<br>Withholding percentage of audit fee until certification of conformance to audit guide; appeal |
| 35035       | Powers and duties of superintendent  |
| 35250       | Duty to keep certain records and reports (accurate account of expenditures and receipts)   |
| 41010       | Accounting system; requirements for Accounting Manual  |
| 41011       | Accounting system requirements   |
| 41012       | Uniform cost accounting procedure to determine allowances for handicapped minors   |
| 41013       | Transfers from district general funds; accounting rules and regulations  |
| 41014       | Requirement of budget accounting   |
| 41020       | Requirement for annual audit   |
| 41020.3     | Review of annual audit   |
| 41020.5     | Audit not in conformance   |
| 42600       | District budget limitation on expenditures   |
| 42601       | Transfers between funds to permit payment of obligations at close of year  |
| 42603       | Transfer of special or restricted funds moneys   |
| 42647       | Drawing of warrants by district on county treasurer; form; reports, statements and other data                                    |

**Government Code**

- 53995-53997 Obligation of contract