

BUS5.2 - Accounting: Financial Reports and Statements

B - Business

Financial Reports and Statements

Purpose:

To establish the process by which the District's financial information is reported, reviewed, and disseminated in compliance with Arizona state laws. This policy ensures the timely and accurate presentation of financial statements to the Governing Board and the public, fostering transparency and accountability in District operations.

Annual Financial Report:

Submission to Governing Board:

By **October 15** of each year, the **Superintendent** shall present the **Annual Financial Report (AFR)** for the previous fiscal year to the **Governing Board**. This report will detail all revenue, expenditures, and financial activities during the fiscal year, ensuring full disclosure of the District's financial condition.

Submission to the Department of Education:

The Governing Board, following its review of the AFR, shall ensure that the report is submitted to the **Arizona Department of Education**. The Department of Education is responsible for prominently displaying the District's financial information on its website, providing easy access for the public.

Publication of Annual Financial Report:

The AFR must be published by **November 15** each year. The District may choose one or more of the following methods to ensure public access:

- **Newspaper:** Publish the AFR in a newspaper of general circulation within the District.
- **Electronic Submission:** Submit the AFR electronically to the Department of Education for publication on its official website. If this method is used, the District must also post a link on the District's website that directs users to the AFR on the Department of Education's website.
- **Mail:** Mail the AFR directly to each household within the School District.
- **County Newspaper:** If applicable, the AFR may be published in the **official newspaper of the county**.

Monthly Financial Reports:

The Superintendent shall also ensure that **monthly financial reports** are presented to the Board. These reports shall include:

- **Public Fund Expenditures:** A comprehensive overview of all expenditures made using public funds during the reporting period.
- **Student Activity Funds:** A report detailing the use of student activity funds, including revenue, expenditures, and balances for each student activity account.

These monthly reports will provide the Board with continuous oversight of the District's financial activities, ensuring that all transactions are conducted in alignment with budgetary goals and legal requirements.

Records and Transparency:

All financial reports and statements, including the AFR, monthly financial reports, and student activity fund reports, shall be maintained as public records. These records must be readily available for public inspection and shall be posted on the District's website where applicable.

Legal Compliance:

The District shall adhere to all legal requirements as outlined in **Arizona Revised Statutes** and the **Uniform System of Financial Records (USFR)**. Compliance with state laws governing financial reporting and auditing, such as **A.R.S. 15-271**, **A.R.S. 15-302**, and **A.R.S. 15-904**, shall be ensured through the proper submission and publication of all required reports.

Legal References:

- **A.R.S. 15-271:** Annual financial report; content and submission requirements.
- **A.R.S. 15-302:** Powers and duties of governing boards and superintendents related to financial reporting.
- **A.R.S. 15-904:** Financial and compliance reports required by law.
- **A.R.S. 15-977:** Reports of classroom site fund expenditures.
- **A.R.S. 15-991:** Provisions relating to the collection and use of public funds in Arizona schools.