

Financial Administration

With respect to the actual, ongoing financial condition and activities of the BOCES, the executive director and finance director shall not cause or allow any fiscal condition that is inconsistent with achieving the BOCES's objectives. The executive director and finance director shall endeavor to comply with all state and federal laws and regulations impacting financial administration, and all financial policies adopted by the Board.

The finance director shall follow the financial policies and procedures handbook, including the chart of accounts, adopted by the state board of education in development of the budget, keeping financial records and periodic presentation of financial information to the Board.

Expending BOCES funds

The BOCES executive director shall have authority to transfer expenditure budget amounts from one object to another within a particular function or program. This process is considered necessary to effectively control spending, and the executive director is directed to compensate for any overspending in one program area by reducing spending in another program area to the extent this is possible. Unencumbered moneys may only be transferred from one fund to another by Board resolution.

Reporting to Board, superintendents and community

Audits

All BOCES funds and accounts shall be audited by an independent auditor annually in accordance with state law. Timely and appropriate corrective actions shall be taken in accordance with any external audit findings.

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

Financial reports

The finance director shall prepare and submit to the Board quarterly financial statements and a bimonthly check register. Interim financial statements will be prepared on a cash basis and the year-end financial statements will be adjusted to a modified accruals accounting basis. At a minimum, the interim financial statements shall include:

- the actual amounts spent and received as of the date of the report from each of the funds budgeted by the BOCES 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

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

The executive director or designee shall conduct financial reviews with the Board at each regular board meeting using reports described above.

The Board may request other financial reports as needed.

Superintendents will be provided with all financial reports issued to the Board.

Oral notification

The executive director shall assure that immediate verbal notification be given to the Board regarding any potential financial problem or any matter that may affect the BOCES's financial condition.

Available to public

Financial and audit reports shall be made available to the public and shall be posted online as required and 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 BOCES funds and accounts.

Operating losses or deficits

The executive director and finance director shall take all reasonable steps to identify funds and programs 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 executive director and finance director shall develop and implement processes whereby unfavorable budget variances or a cash flow shortage can be identified and dealt with in a timely manner.

If at any time during the fiscal year following budget adoption the BOCES determines that the use of an additional portion of beginning fund balance is necessary, the Board shall adopt a resolution as prescribed in statute, specifying the amount and purpose or reserve spending and the plan to ensure that it will not lead to an ongoing deficit.

Employee reporting

The executive director shall develop and implement procedures to encourage all BOCES 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 executive director 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: January 14, 2016

Revised: November 8, 2018

LEGAL REFS.: C.R.S. 22-5-106 (*financing, budgeting and accounting*)

C.R.S. 22-5-105 (1.5)(c) (*resolution for additional reserve spending*)

C.R.S. 22-44-112 (*transfer of moneys*)

C.R.S. 22-44-301 *et seq.* (*Public School Financial Transparency Act*)

C.R.S. 22-45-102 (1)(b) (*quarterly financial reports*)