



Huntington Beach Union High School District Board Policies and Administrative Regulations

AR 3460
Page 1 of 3

Business and Non-Instructional Operations

Financial Reports and Accountability

The Superintendent or designee shall prepare all fiscal reports, keep necessary records to adequately control the financial transactions of the district, and prepare financial statements. All fiscal reports shall be filed with county, state or federal agencies as required. When required by law or Board policy, these reports will be reviewed by the Governing Board before they are filed with the appropriate agencies.

Interim Reports

The Superintendent or designee shall submit two interim fiscal reports to the Governing Board, the first report covering the districts financial and budgetary status for the period ending October 31 and the second report covering the period ending January 31. These reports shall also be made available for public review.

Within 45 days from the end of the reporting period, the Board shall assess these reports which are prepared on the basis of criteria adopted by the State Board of Education and current information regarding the adopted state budget, property tax revenues, district enrollment and ending balances for the preceding fiscal year. The Board shall approve the fiscal reports and send the County Superintendent of Schools these reports and its certification of the district's financial status in accordance with the following guidelines:

1. A "positive certification" will indicate that the district will meet its financial obligations for the current and two subsequent fiscal years.
2. A "qualified certification" will indicate that the district may not meet its financial obligations for the current or two subsequent fiscal years.
3. A "negative certification" will indicate that the district will be unable to meet its financial obligations for the remainder of the current or the subsequent fiscal year.

Qualified or negative certifications shall also be sent to the Superintendent of Public Instruction and the State Controller, together with a copy of the fiscal report and a completed transmittal form provided by the Superintendent of Public Instruction.

If the Board files a qualified or negative certification for the second report of the fiscal year, or if its second report is classified as qualified or negative by the County Superintendent of Schools,

the Superintendent or designee shall provide to the County Superintendent of Schools, the State Controller and the Superintendent of Public Instruction, no later than June 1, a financial statement that reports data for the period ending April 30, and projects the district's fund and cash balances as of June 30.

Annual Financial Report (Unaudited Actuals)

On a form prescribed by the Superintendent of Public Instruction, the Superintendent or designee shall prepare a statement of all receipts and expenditures of the district for the preceding fiscal year. On or before September 15, the Board shall approve this statement and file it with the County Superintendent of Schools.

Appropriations Limit Report (Gann Calculations)

The Board shall adopt a resolution by September 30 of each year to identify the estimated appropriations limit for the district for the current fiscal year and the actual appropriations limit of the district during the preceding year. Documentation used to identify these limits shall be made available to the public on the day of the meeting.

Accrued Benefits and Claims Report

The Superintendent or designee shall annually provide the Board, at a public meeting, information regarding the estimated accrued but unfunded cost of workers' compensation claims. The estimate of costs shall be based on an actuarial report (performed by an actuary who is a member of the American Academy of Actuaries) that incorporates annual fiscal information and is obtained by the Superintendent at least every three years. Costs shall be reported whether the district is responsible individually or as a member of a joint powers agency. The Board shall disclose, as a separate agenda item, whether or not it will reserve in the budget sufficient amounts to fund the present value of these claims or if it is otherwise decreasing the amount in its workers' compensation reserve fund. The Board shall annually certify to the County Superintendent of Schools the amount, if any, that it has decided to reserve in the budget for these costs. The Board shall submit to the County Superintendent any budget revisions that may be necessary to account for this budget reserve.

Non-Voter Approved Debt Report

Whenever the Board approves the issuance of certificates of participation or revenue bonds, the Superintendent or designee shall notify the County Superintendent of Schools and the County Auditor. The Superintendent or designee shall provide the Board, the County Auditor and the

County Superintendent of Schools and the public with related repayment schedules and evidence of the district's ability to repay the obligation. Within 15 days, the County Superintendent of Schools and County Auditor may comment publicly to the Board regarding the district's capability to repay the debt.