

## BUSINESS AND NONINSTRUCTIONAL OPERATIONS

A. Public Funds

The fiscal records of the Lynchburg City School Board shall be audited by the State Auditor of Public Accounts, or a certified public accountant approved in advance by the school board.

B. School Activity Funds (Internal Accounts)

Internal accounts of the individual schools shall be audited each year by a qualified accountant. After review and approval by the school board, a copy of the audit report shall be filed in the office of the superintendent.

C. Cafeteria Accounts

Cafeteria funds shall be accounted for in separate accounts and shall be audited each year. After review and approval by the board, a copy of the audit reports shall be filed in the office of the superintendent. These audits are subject to periodic review by federal auditors as provided under the National School Lunch Act.

D. Federal Funds

Each grant of federal funds shall be accounted for separately in accordance with the agreement under which the funds were received. A separate audit of each fund shall be made on an annual basis, and the report shall be submitted to the board for review.

Legal Reference:

Code of Va., § 2.1-167. Auditor to perform services for counties, cities, school divisions and certain towns.--"The body of any unit of local government, may make and establish a system of bookkeeping and accounting for such unit which shall conform to generally accepted accounting principles. He shall make and establish a uniform system of fiscal reporting for the treasurers or other chief financial officers, clerks of the courts, and school divisions of all counties and cities, and all towns having a population of 3,500 or over and all towns constituting a separate school division regardless of population. He may at any time, examine the books and accounts of such officers, and report to the supervisors or councils, the findings of his investigation, if it relates to the affairs of such county or city or town." (1985)

Virginia Board of Education, Regulations, "Governing School Activity Funds - Internal Accounts." (January, 1991)

Adopted by School Board: June 5, 1973

Revised by School Board: January 6, 1981

Audits