



Subject: Debt
Approved By: Board of Directors
Policy: 4009.1

SHASTA SPRINGS CHARTER SCHOOL

Effective Date:

Revised Date:

LIBERTY SPRINGS CHARTER SCHOOL

Effective Date:

Revised Date:

Record Keeping

To provide an accurate and auditable record of all financial transactions, the Charter School's books, records, and accounts are maintained in conformity with generally accepted accounting principles as applicable to Charter Schools.

Further, the Charter School specifically requires that:

1. No funds or accounts may be established or maintained for purposes that are not fully and accurately described within the books and records of the Charter School.
2. Receipts and disbursements must be fully and accurately described in the books and records.
3. No false entries may be made on the books or records nor any false or misleading reports issued.
4. Payments may be made only to the contracting party and only for the actual services rendered or products delivered. No false or fictitious invoices may be paid.

Basis of Accounting

The Charter School will maintain their accounting records and related financial reports on the accrual basis of accounting.

Accounting Policies

The accounting policies and financial reporting adopted are consistent with the special purpose governmental unit requirements of the Governmental Accounting Standards Board (GASB), including Statement of Governmental Accounting

Standards No. 34 — Basic Financial Statements — and Management’s Discussion and Analysis — for State and Local Governments. GASB is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. However, since the Charter is its own legal, non-profit entity it must follow the guidelines of Financial Accounting Standards Board (FASB) when preparing financial statements (audits).

Basis of Presentation

The accounts of the Charter School are organized on a basis of the School Account Code Structure or SACS. The operations of the fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, net assets, revenues, and expenditures. The Charter School uses the following fund:

- Main Fund — This fund of the Charter School is used to account for all financial resources associated with the operation of the Charter School. In addition, all activities relating to Student Activities should be separately identified and recorded within this fund.

Revenues

Under the accrual basis of accounting, revenues are recognized when earned.

Expenditures

Under the accrual basis of accounting, expenses are recognized when services are incurred or goods are received.

Security of Financial Data

The financial system’s administrator is responsible for backing up data. The web-based database is provided by an external entity and is leased by the Charter. All relevant reports are backed up by the Charter School’s financial staff.