Sycamore Valley Academy
Budget Policy 12-001
Annual Budget Development, Audit and Oversight Calendar and Responsibilities

The Sycamore Valley Academy charter school ("SVA") must develop and monitor its budget and conduct an annual audit in accordance with the annual calendar as specified below.

I. JANUARY – FEBRUARY

• The Board Treasurer may select one or more Board members to serve as a Finance Committee for the SVA budget for the upcoming fiscal year. In January, the Board shall confirm the Board members that will serve on the Finance Committee. The Treasurer must serve as the chairperson of the Finance Committee.

• The Finance Committee of the Board works with Principal/ Superintendent to review Governor's proposed state budget for the upcoming fiscal year, and identify the likely range of revenues for the school's upcoming fiscal year (July 1-June 30). [Board Treasurer, Principal/Superintendent]

• The Principal/Superintendent reviews/prepares a set of proposed budget development principles for Board review and approval for the budget for the upcoming fiscal year. [Board Treasurer, Principal/Superintendent, Board of Directors]

• The Principal/Superintendent must prepare a rough planning budget for upcoming fiscal year, including projected enrollment and any proposed or anticipated staffing changes. [Principal/Superintendent in conjunction with Finance Committee]

• The Principal/Superintendent's planning budget must include a five-year budget projection in accordance with the school's established strategic and growth plans. [Principal/Superintendent in conjunction with Finance Committee]

• The Principal/Superintendent, Board Treasurer and Finance Committee continue ongoing monitoring of current year's projections against the budget. [Board Treasurer, Finance Committee, and Principal/Superintendent]

II. <u>MARCH – APRIL</u>

• Pursuant to Education Code section 47604.33(a) and in accordance with requirements of the operational MOU with the Visalia Unified School District (e.g. § 9(d)(3) of 12/2011 MOU), the Principal/Superintendent must provide to the board of the Visalia Unified School District, and to the County Superintendent of Schools, a second interim financial report not later than March 15, which reflects changes through January 31 of the present fiscal year. [Principal/Superintendent]

• The Principal/Superintendent, working in conjunction with staff and the Board Treasurer, and considering the Board's prior direction, prepares a formal budget plan for the upcoming fiscal year. The plan is reviewed by the Finance Committee. [Principal/Superintendent and Finance Committee]

• The Principal/Superintendent, Board Treasurer and Finance Committee continue ongoing monitoring of current year's projections against the budget. [Board Treasurer, Finance Committee, and Principal/Superintendent]

• The Board selects an Audit Committee in March for the audit of the existing fiscal year which will end on June 30th.

• The Audit Committee solicit bids for the annual audit and selects a proposed auditor in accordance with Board Policy 12-001, Section I(B), and operational MOU requirements (e.g. § 9(k) of 12/2011 MOU). Pursuant to SVA's charter, the proposed auditor must be a licensed CPA, listed by the State Controller as an approved educational audit provider and have educational institution audit experience. The proposal of the auditor recommended by the Audit Committee must be submitted to the Board who shall have final authority to retain the proposed auditor or another qualified auditor who submitted a proposal. [Audit Committee]

III. <u>MAY – JUNE</u>

• The Principal/Superintendent reviews revenue projections subsequent to the Governor's annual "May Revise" budget figures, fine-tunes the upcoming fiscal year budget to accommodate any changes. This budget will include monthly cash flow projections. Thereafter the Finance Committee reviews and finalizes the proposed budget for the upcoming fiscal year and forwards it to the Board. [Board Treasurer, Finance Committee, and Principal/Superintendent]

• The Board reviews, revises and formally adopts a budget for upcoming fiscal year before June 25. [Board of Directors]

• Pursuant to Education Code section 47604.33(a) and in accordance with requirements of the operational MOU with the Visalia Unified School District (e.g. § 9(d)(1) of 12/2011 MOU), not later than July 1, the Board must provide to the Visalia Unified School District, and to the County Superintendent of Schools, a complete budget for the fiscal year beginning on July 1.

• The Principal/Superintendent, Board Treasurer and Finance Committee continue ongoing monitoring of current year's projections against the budget. [Board Treasurer, Finance Committee, and Principal/Superintendent]

IV. JULY – AUGUST

• The Principal/Superintendent, Board Treasurer and SVA's bookkeeper must ensure that the books for the prior fiscal year, all transactions are posted, and records assembled for audit. [Principal/Superintendent, Bookkeeper, and Board Treasurer]

• The new budget is reviewed by the Principal/Superintendent and the Finance Committee subsequent to the adoption of the state Budget Act and necessary adjustments are made and approved by the Board. A copy of the revised final budget is provided to the Visalia Unified School District. [Principal/Superintendent and Finance Committee]

• Independent auditor performs audit of the recently-closed fiscal year and prepares audit report for submission to the Audit Committee. The report must include those items identified in Article 13, Section 3 of the SVA bylaws. [Auditor, Staff as requested by the Auditor, Audit Committee]

V. SEPTEMBER – DECEMBER

• Pursuant to Education Code section 47604.33(a) and in accordance with requirements of the operational MOU with the Visalia Unified School District (e.g. § 9(d)(4) of 12/2011 MOU), not later than September 15, the Principal/Superintendent must prepare and provide to the Visalia Unified School District, and to the County Superintendent of Schools, a final unaudited report of actual receipts and expenditures for the entire preceding fiscal year as well as other information required by the operational MOU. [Principal/Superintendent]

• At the end of the first full week of school, the Principal/Superintendent reviews SVA's actual student attendance figures and notifies the Board if actual attendance is below budget projections. If needed, SVA's budget is again revised to match likely revenues. [Principal/Superintendent, Finance Committee, Board of Directors]

• The Audit Committee of the Board reviews a copy of the audit report. The review by the Audit Committee must be sufficiently prompt so as to allow subsequent Board review of the audit report prior to the thirty (30) day deadline to transmit the audit report to the Visalia Unified School District under Section 9(c) of the operational MOU.

• The Principal/Superintendent and Finance Committee must propose to the Board solutions designed to address any audit exceptions, qualifications, adverse findings and recommendations. In doing so, they may consult with consultants retained under Board Policy 12-001, Section IV(B)(4).

• At the next Board meeting, the audit report and the recommendations of the Principal/Superintendent and Finance Committee must be submitted to the Board who must direct that the audit report and any follow-up plans be submitted to the Visalia Unified School District as the charter-granting agency. Pursuant to Education Code section 47605(m), the Principal/Superintendent must also transmit a copy of the audit report, no later than December 15, to the County Superintendent of Schools and the Controller of the State of California. [Audit Committee, Board, Principal/Superintendent]

• The Principal/Superintendent reviews current year actual versus budgeted revenues and expenditures after the second and fifth months of the school year and reports to the Finance Committee. The Board approves any needed changes to the annual budget. [Board Treasurer, Finance Committee, and Principal/Superintendent]

• The Principal/Superintendent, Board Treasurer and Finance Committee continue ongoing monitoring of current year's projections against the budget. [Board Treasurer, Finance Committee, and Principal/Superintendent]

• Pursuant to Education Code section 47604.33(a) and in accordance with requirements of the operational MOU with the Visalia Unified School District (e.g. § 9(d)(2) of 12/2011 MOU), the Principal/Superintendent must provide to the board of the Visalia Unified School District, and to the County Superintendent of Schools, a first interim financial report no later than December 15, which reflects changes through October 31. [Principal/Superintendent]

This policy was formally adopted at a meeting of the SVA Board of Directors on 7.19.12.

Rachele Berglund Bailey

Rachele Berglund Bailey, Board Secretary