

Policy

Monitored
 Mandated
 Other Reasons

ACCOUNTS

Generally Accepted Accounting Principles

The Superintendent shall ensure that generally accepted accounting principles (GAAP) are applied in preparing the budget and keeping all accounts of the district in accordance with code and statute.

Date reviewed: May 17, 2000; May 15, 2002; January 19, 2011

Date adopted: May 17, 2000; January 21, 2004; April 13, 2011

Legal References: Use legal reference sheet.

Cross References: List your appropriate policies. See legal reference sheet for possibilities.

Key Words

Bookkeeping, Accounting, Generally Accepted Accounting Principles

Legal References

ACCOUNTS

Monitored:

Indicator 7.2

Other Reasons:

N.J.A.C. 6A:23-2.1 requires the board to maintain a uniform system of financial management consistent with “generally accepted accounting principles” or GAAP.

Recommendation:

A policy directing the administration to comply with statute and administrative code by implementing generally accepted accounting principles (GAAP) in all appropriate district finance-related activities, such as budgeting, bookkeeping, etc.

Abbott districts and others at the discretion of the commissioner of education should address school level budgeting and financial reporting requirements as described in N.J.A.C. 6A:23-2.3.

<u>Legal References:</u>	<u>N.J.S.A.</u> 18A:4-14	Uniform system of bookkeeping for school districts
	<u>N.J.S.A.</u> 18A:17-8	Secretary; collection of tuition and auditing of accounts
	<u>N.J.S.A.</u> 18A:17-35	Records of receipts and payments
	<u>N.J.S.A.</u> 18A:22-8	Contents of budget; program budget system
	<u>N.J.S.A.</u> 18A:34-2	Care and keeping of textbooks and accounting
	<u>N.J.A.C.</u> 6A:23-2.1 <u>et seq.</u>	Double Entry Bookkeeping and GAAP Accounting in Local School Districts
	<u>N.J.A.C.</u> 6A:23-8.1 <u>et seq.</u>	Annual Budget Development, Review and Approval

Manual for the Evaluation of Local School Districts

Handbook 2R2 – Financial Accounting for Local and State School Systems

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ACCOUNTS (continued)

Possible

<u>Cross References:</u>	*3100	Budget planning, preparation and adoption
	*3326	Payment for goods and services
	*3450	Money in school buildings
	*3451	Petty cash funds
	*3453	School activity funds
	*3570	District records and reports
	3571	Financial reports
	*3571.4	Audit

*Indicates policy is included in the Critical Policy Reference Manual.