## **2.4 School Accounting System Policy**

The Board of KC International Academy adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

**SECTION 2.4.1. Fiscal Year**

The KC International Academy adopts a fiscal year that begins on the first day of July and ends on the thirtieth day of the following June.

**SECTION 2.4.2. Financial Accounting**

The KC International Academy will adhere to the accounting guidelines of the Missouri Department of Elementary and Secondary Education.

SECTION 2.4.2.1. Accounting records. The school shall maintain records that adequately identify the source and application of funds. These records must contain information pertaining to grant or sub-grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.

SECTION 2.4.2.2. Internal controls. The school shall maintain effective control and accountability of all state and local funds, federal grant and sub-grant cash, real and personal property, and other assets obtained with local, state or federal funds. The school shall adequately safeguard all such property and assure that it is used solely for authorized purposes.

SECTION 2.4.2.3. Source documentation. Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.

SECTION 2.4.2.4. Budget control. The school shall compare actual expenditures or outlays of state or federal funds with budget amounts for each fund, grant or subgrant. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the grant or subgrant agreement. Applicable federal cost principles, agency program regulations, and the terms of grant and subgrant agreements will be followed in determining the reasonableness, allowability, and allocability of costs.

**SECTION 2.5. Account Code Structure**.

The school shall use the account code structure as described in the Missouri Department of Education’s Chart of Accounts.