

FOSTER-GLOCESTER REGIONAL SCHOOL DISTRICT
Glocester, RI

REVIEW AND APPROVAL OF ADJUSTING JOURNAL ENTRIES

PURPOSE:

The purpose of this policy is to establish School Committee guidelines and expectations for the recording, review and approval of adjusting journal entries.

PHILOSOPHY:

The School Committee recognizes that the schools of the District are supported primarily by tax money paid by individual taxpayers and businesses of the community. In appreciation of this factor, the School Committee expects that wise and prudent use will be made of the funds provided for the maintenance and operation of the School District. Adjusting journal entries are prepared for transactions that have not been recorded in other journals or to correctly restate account balances to accurate amounts. The need to make journal entries may be due to any of the following:

1. Accrual of income and expense items
2. Correction of errors
3. Recording of non-cash transactions
4. Recording of transactions not previously captured in the general ledger journals

POLICY STATEMENT:

All journal entries shall be reviewed and authorized by the Business Manager before being posted. All adjusting journal entries for reconciliations and corrections of errors shall be posted by the Business Manager. Journal entries shall have adequate supporting documentation and will be prepared and maintained for each journal entry in the respective journal entry binder. On a quarterly basis, the Superintendent shall review a report of all adjusting journal entries made. Reviewed reports shall be maintained in the Business Office. The reports and journal entry detail shall be available to the school committee upon request.

First Reading:	April 3, 2012
Second Reading and Adoption:	May 7, 2012