

THE SCHOOL DISTRICT OF
PHILADELPHIA

No. 622

Section: 600 Finances

Title: Governmental Accounting
Standards Board Statement 34

Adopted: November 16, 2017

Revised: November 19, 2020

622 GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT 34

Purpose

The Board of Education (“Board”) recognizes the need to implement the required accounting and financial reporting standards stipulated by the Pennsylvania Department of Education which require adherence to generally accepted accounting principles. [1]

The purpose of this policy is to require the School District of Philadelphia (“District”) to follow the Governmental Accounting Standards Board (“GASB”) Statement 34, the primary objectives of which are to assure compliance with state requirements and to properly account for both the financial and economic resources of the district.

Definitions

For purposes of this policy, terms are defined as follows:

Governmental Accounting Standards Board: A private, non-governmental organization which has oversight by the Financial Accounting Standards Board and the Financial Accounting Foundation and serves as the source of generally accepted accounting principles used by state and local governments.

Authority

The Public School Code authorizes the Board to establish rules and regulations, including such rules for financial accounting and reporting. [1][2][3][4]

Delegation of Responsibility

The Board directs the Superintendent or their designee, through the Chief Financial Officer (“CFO”), to coordinate the compilation and preparation of all information necessary to implement this policy.

The CFO is responsible for internal control procedures necessary to ensure the timely and accurate completion of the Comprehensive Annual Financial Report (“CAFR”) in accordance with GASB Statement 34 and other relevant accounting principles. [4]

The final document shall be presented for an independent audit to be completed in accordance with generally accepted auditing standards. Upon completion of the audit, the completed document shall be presented to the Board for acceptance. The CAFR shall form the basis of the final annual financial report to the state.

The CFO shall prepare the required Management Discussion and Analysis (“MD&A”) and transmittal letter and submit for review to the Superintendent prior to publication. The MD&A and Transmittal Letter shall be in the form required by GASB Statement 34.

Prior to presentation of the completed document to the Board, the District's independent auditors shall review the CAFR in accordance with Statement of Audit Standards (“SAS”) requirements.

Legal References:

1. [24 P.S. § 2-218](#)
2. [24 P.S. § 6-613](#)
3. [24 P.S. § 5-510](#)
4. [Governmental Accounting Standards Board, Statement No. 34](#)