



Policy: Revenue Recognition Policy and Procedure

Date Approved: February 21, 2008

Purpose:

To specify the approach taken in recognizing revenues received by the school, and to specify the priority under which revenues will be allocated to associated expenses.

Background information:

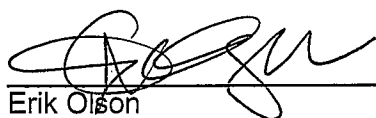
The principal source of operating funds Canyon Rim Academy (the School) receives is derived from federal, state, and local funds. The School receives state funding based on the number of students enrolled in the School. The School also receives federal grants on a reimbursement basis; accordingly, grant revenues are recognized when qualifying expenses have been incurred and all other grant requirements have been met.

Proposed Policy:

Canyon Rim Academy will recognize grant revenues when qualifying expenses have been incurred and all other grant requirements have been met.

Proposed Procedure:

It is the intent of Canyon Rim Academy to expend funds in such a manner that restricted funds are used prior to unrestricted funds and that Federal funds are used prior to State funds. If a grant requires a local revenue match, those funds will receive priority and will be expensed first to satisfy the local revenue match requirement.


Erik Olson

2/19/08

Date