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AP 6300 FISCAL MANAGEMENT

References:

Education Code Section 84040(c);
Title 5 Section 58311;
WASC/ACCJC Accreditation Standard III.D 9

The District Chancellor shall ensure that the fiscal procedures of the District are prudent, sound, and in compliance with California Code of Regulations Title 5, Education Code, Accreditation Standards, and the California Community Colleges' Budget and Accounting Manual.

The District Chancellor delegates to the Chief Business Officer overall responsibility for stewardship of District resources and for ensuring that the following fiscal practices are in place:

- Safeguard and management of District assets to ensure ongoing effective operations.
- Maintenance of adequate cash reserves.
- Implementation and maintenance of effective internal controls and appropriate fiscal policies.
- Determination of sources of revenues prior to making short-term and long-term commitments.
- Collection and disbursement of all money in accordance with applicable statutes, standard accounting principles and practices, and written District administrative procedures.
- Delivery of timely, accurate, and reliable fiscal information to ensure that District objectives are met.

The Chief Business Officer, in collaboration with the Executive Director of Fiscal Services, shall ensure an organizational structure within the District which provides for adequate and clear delineation of fiscal responsibility and staff accountability.

Managers are primarily responsible for safeguarding District resources by establishing and maintaining sound business controls designed to deter and detect potential misuse of resources. Further, the District encourages its employees and other persons to disclose improper activities as defined in the Reporting by School Employees or Improper Governmental Activities Act (Education Code Section 44110) and to protect those reporting improper activities from reprisal or intimidation.

Misuse is defined as the inappropriate use of District resources for non-District purposes. Resources include, but are not limited to, cash, property, personnel, and time due to the District by employees. Criteria used to determine whether certain activities or employee behavior constitutes misuse of resources include State and Federal law and District policy and procedures.

Investigations of suspected misuse of District resources may be initiated for a variety of reasons, including, but not limited to, the following: questionable circumstances, allegations made by employees or members of the public, or situations disclosed during the course of routine audits.

Such investigations shall be conducted in a manner that:

- Fulfills the District's legal and fiduciary responsibilities.
- Minimizes the loss and promotes recovery of District resources.
- Identifies controls which should be strengthened to reduce future vulnerabilities.
- Protects the rights of the alleged, the interests of those making allegations, and the public interest.
- Provides confidentiality compatible with an effective response and applicable reporting requirements.
- Guards against real or apparent conflict of interest.

The Chief Business Officer has overall responsibility for matters concerning known or suspected misuse of District resources. As part of this responsibility, the Chief Business Officer shall ensure that timely and complete information about significant investigations is reported to the District Chancellor and the Board of Trustees, as appropriate.

These processes assure that the District's fiscal management is in accordance with the principles contained in Title 5 Section 58311. The books and records of the District shall be maintained pursuant to the California Community Colleges' Budget and Accounting Manual. As required by the California Community Colleges' Budget and

Accounting Manual, expenditures shall be recognized in the accounting period in which the liability is incurred, and shall be limited to the amount budgeted for each major classification of accounts and to the total amount of the budget for each fund.

Also see AP 6305 titled Reserves, AP 6310 titled Accounting, and AP 6315 titled Warrants.

Board Reports

The Chief Business Officer shall submit the following periodic reports to the District Chancellor for Board information and approval:

- Financial reports of District funds, Associated Student Organizations' funds, and deposit accounts (trust funds).

- Reports of purchase orders and change orders to be ratified.

Special Events

The use of District funds for the purchase of food, nonalcoholic beverages, food services or other refreshments are authorized for the following activities and events:

- Educational purposes.
- Special meetings.
- District employee-only meetings when food supports maximizing the employees' time on agenda items.

Activities and events qualifying as educational purposes:

- Support the mission, vision, values, goals and principles of the Board.
- Increase community awareness of educational programs, and college efforts.
- Promote individual and group support of local educational priorities.
- Command exemplary service to education.
- Recognize achievement of staff or students.

Activities and events qualifying as special meetings:

- Board or Board sub-committee meetings.
- Citizen advisory committee meetings.
- Other program advisory committee meetings where the primary participants are community members.

The following items in addition to food, non-alcoholic beverages, food services, or other refreshments are permissible for the above-referenced activities and events:

- Reasonable speakers' fees or honorariums.
- Rental of space and equipment when not available within District facilities or when event is held at an offsite location, as appropriate, to enhance meeting effectiveness.
- Framed certificates, plaques, and/or trophies that commend exemplary service to education or recognize achievements to students.

The District Chancellor, Chief Business Officer, or a College President is authorized to approve the events or activities covered by this procedure. The use of District funds for the purchase of alcoholic beverages is not permitted.

Petty Cash

The District's Petty Cash Fund shall not exceed \$15,000 and shall be adjusted throughout the year to accommodate seasonality.

District expenditures shall normally be made by warrant issued through the regular procedure. Petty Cash Funds shall be expended for approved small expenditures for which the formal warrant procedure would be excessively cumbersome and for advances for athletic program competition excursions.

No payments in excess of \$50 may be made from the Petty Cash Funds with the exception of advances for athletic program competition excursions. Payments in excess of \$50 shall be made by warrant issued through the regular procedure.

All reimbursements from the Petty Cash Funds shall be accompanied by original receipts.

All advances for athletic program competition excursions shall be reconciled within five days of the event (i.e., original receipts to be provided and any unused advance shall be returned to the Petty Cash Fund).

Office Expense Reimbursement

Purchases requiring reimbursement are discouraged; any purchase requiring reimbursement shall be pre-approved by the supervising administrator.

Reimbursement for the following expenses shall not be provided by the District unless approved by the District Chancellor, Vice Chancellor, or College President:

- Office appreciation expenses, including food and mementos.
- Working lunches.
- Committee refreshments.
- Office refreshments such as bottled water, coffee/tea and snacks.
- Retreats, campus-wide events, conferences, or workshops.
- Office decorations.
- Award banquets and trophies.
- Food/refreshments for Departmental meetings.
- Food/refreshments for meetings with students within a particular department, discipline, or program.

Food/refreshments for students or potential students are allowable for campus-wide events, recruitment, and orientation activities.

The intent of these guidelines is to convey to the public that the District, as a taxpayer-supported institution, uses its resources prudently and effectively.

Cafeteria Services

All revenues, payments, and reimbursements shall be deposited into the Cafeteria Fund and are to be used solely for the operation and improvement of the cafeteria. Cafeteria operations are intended to be self-supporting.

Telephone Usage

The District telephone system is provided for District business. Minimal use of the telephone system for emergency personal business during working hours is permitted if in the judgment of the supervisor the work routine is not disturbed. Using the District telephone system for personal long-distance calls is not permitted. An individual may make personal long distance calls from the telephone system by:

- Charging the call to his/her home telephone.
- Charging the call to his/her personal credit or debit card.

The District has the right to create call reports of all telephone numbers made to or from a particular phone or to a particular number, including local, domestic long-distance and international, over any particular time period. In the event of perceived abuse, these records may be used to conduct appropriate investigations.

Solicitation of Funds or Services

Prior written approval of the College President or designee is required for all College activities involving a solicitation of funds and/or the selling of tickets. No solicitation to pay for out-of-state student travel or lodging may be conducted until such travel has been approved by the Board.

All solicitation of students or employees by non-district organizations or persons, whether for funds or for other purposes, is prohibited except with the express approval of the Board, the District Chancellor, or designee.

Solicitation of funds by student organizations shall be governed by the Education Code, Board Policies, FCMAT ASB Accounting Manual, and regulations of the Colleges as to time, place, and manner of public presentation; and allowable activities.

Use of the names of the District, Colleges, any department of the District, or any abbreviations of such names, in the solicitation of funds or property of other business uses shall not be allowed unless approved in writing by the District Chancellor or designee.

Discriminating Organizations

No employee of the District shall use District funds to attend programs or activities sponsored by any agency, organization, group, club, foundation, fellowship or service organization, public or private, that discriminates against anyone in the protected categories as delineated in BP/AP 3410 titled Nondiscrimination.