Fiscal Management

The budget shall be managed in accordance with Title 5 and the California Community College Budget and Accounting Manual. Budget revisions shall be made only in accordance with these policies and as provided by law.

Revenues accruing to the District in excess of amounts budgeted shall be added to the reserves of the District and the colleges using the allocation model detailed in Business Procedure 18.01. They are available for appropriation only upon a resolution of the Board that sets forth the need according to major budget classifications in accordance with applicable law.

Board approval is required for changes between major expenditure classifications. As required by Title 5, Section 58307, transfers from the reserve of contingencies to any expenditure classification must be approved by a two-thirds vote of the members of the Board. Transfers between expenditure classifications must be approved by a majority vote of the members of the Board.

The Chancellor shall establish procedures to assure that the District's fiscal management is in accordance with the principles contained in Title 5, Section 58311 and applicable federal regulations for federal funds received by the District, including:

1. the District provides ongoing fiscal stability through responsible stewardship of available resources;
2. assets are safeguarded and managed to ensure the ongoing effective operations of the District;
3. personnel practices are consistent with legal requirements, make the most effective use of available human resources, and ensure that staffing costs do not exceed estimates of available financial resources;
4. commitment to the efficient use of its human and financial resources. Accordingly, managers shall conduct a review of departmental operations following any employee separation to identify opportunities for process improvement, workflow optimization, and the effective alignment of staffing resources with operational needs;
4. ~~4.~~ 5. policies are adopted to ensure all auxiliary activities that have a fiscal impact on the District comport with the educational objectives of the District and comply with sound accounting and budgeting principles, public disclosures , and independent audit requirements;
5. ~~5.~~ 6. the organizational structure incorporates a clear delineation of fiscal responsibilities and establishes staff responsibilities;

~~6.~~ 7. District administration keeps the Governing Board current on the fiscal condition of the District as an integral part of policy and decision making;

~~7.~~ 8. fiscal policies, objectives, procedures, and constraints are effectively developed and communicated to the Governing Board, staff and students;

~~8.~~ 9. an adequate management information system is utilized that provides timely, accurate, and reliable fiscal information to appropriate staff for planning, decision making, and budgetary control;

~~9.~~ 10. appropriate fiscal policies and procedures ~~are~~ shall be adhered to, and ~~adequate~~ effective internal controls ~~are in place~~ shall be maintained to safeguard District assets, ensure compliance with applicable laws and regulations, promote accurate financial reporting, ~~that~~ achieve established fiscal objectives ~~are met~~;

~~10.~~ 11. significant changes in the fiscal environment are evaluated and necessary financial and educational adjustments are made in a timely manner;

~~11.~~ 12. District financial planning includes both short-term and long-term goals and objectives with broad-based input, and is coordinated with District educational planning;

~~12.~~ 13. the capital outlay budget is consistent with the District's five-year plan and reflects regional planning and needs assessments~~.~~; and

~~13.~~ 14. federal funds received by the District satisfy the requirements set forth in the US Education Department General Administrative Regulations (EDGAR).

The books and records of the District shall be maintained pursuant to the California Community Colleges Budget and Accounting Manual.

As required by Title 5, Section 58310, the Board shall be presented with a quarterly report showing the financial and budgetary conditions of the District.

As required by the Budget and Accounting Manual, expenditures shall be recognized in the accounting period (fiscal year) in which the liability is incurred, and shall be limited to the amount budgeted for each major object code classification of accounts and to the total amount of the budget for each fund.

Title 5 CCR Sections 58307, 58310, 58311

Adopted: 6/30/04

Revised: 12/12/12, 7/26/17, 00/00/26

Related Board Policy:
Board Policy 5033

Related Procedures:
Business Procedures 18.01, 18.06