

FISCAL MANAGEMENT

AP No. 6300

Board Reviewed: 12/12/1963; 09/08/1971; 01/10/1979; 02/01/1982;
11/10/1993; 08/16/2006; 03/09/2016; 06/09/2021

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I. Introduction

A. This procedure shall ensure that the Rio Hondo Community College District's fiscal management is in accordance with the principles contained in Title 5, Section 58311, including:

- Provide for responsible stewardship of available resources
- Provide for safeguarding and managing District assets to ensure ongoing effective operations; maintenance of adequate cash reserves; implementation and maintenance of effective internal controls; determination of sources of revenue prior to making short-term and long-term commitments; establishment of a plan for the repair and replacement of equipment and facilities
- Provide for an organizational structure that incorporates a clear delineation of fiscal responsibilities and staff accountability
- Provide that appropriate administrators keep the Board of Trustees current on the fiscal condition of the District as an integral part of policy and decision-making
- Provide for development and communication of fiscal policies, objectives and constraints to the Board, staff, and students
- Provide for an adequate management information system that gives timely, accurate and reliable fiscal information for planning, decision-making, and budgetary control
- Provide for appropriate fiscal policies and procedures and adequate controls to ensure that established fiscal objectives are met
- Provide a process to evaluate significant changes in the fiscal environment and make necessary, timely, financial, and educational adjustments
- Provide both short-term and long-term goals and objectives, and broad-based input coordinated with District educational planning

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II. Maintenance of books and records

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

III. Quarterly reports to the Board

- A. The Board shall be presented with a quarterly report showing the financial and budgetary conditions of the District.

IV. Expenditures

- A. 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.
- B. Fund transfers exceeding \$1 million shall be placed on the Board agenda for approval.

V. Sources/references

- A. Education Code Section 84040(c)
- B. Title 5, Section 58311
- C. ACCJC Accreditation Standard III.D
- D. 2 Code of Federal Regulations Parts 200.302 subdivision (b)(6)-(7), 200.305, and 200.400 et seq.