
Administrative Procedure
Chapter 6 – Business & Fiscal Affairs

AP 6300 FISCAL MANAGEMENT

References:

Education Code Section 84040 subdivision (c);
Title 5 Section 58311;
ACCJC Accreditation Standard III.D.9;
2 Code of Federal Regulations Parts 200.302 subdivision (b)(6)(7), 200.305, and
200.400 et seq.

The District is committed to principles of sound fiscal management and to provide for responsible stewardship of available resources. The District adheres to commonly accepted accounting standards as criteria for fiscal management regulations.

To ensure adherence to these principles and standards, the VP of Business Services or Designee will:

- 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 revenues prior to making short-term and long-term commitments, establishment of a plan for the repair, and replacement of equipment and facilities.
- Provide an organizational structure that incorporates a clear delineation of fiscal responsibilities and staff accountability.
- Keep the Board 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 in accordance with state law, board policies, and administrative procedures.
- Provide 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 regulations, 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 plan.

Auxiliary Services Accounts

Business Services operates and maintains the books for the Auxiliary which oversees the enterprise activities on campus such as the bookstore and food services operations with accounting support from Fiscal Services.

Bursar's Office

The Bursar's Office maintains the books for Associated Student Body, other student clubs and department trust accounts; and collects all fees for students enrolled in courses.

Invoicing

All invoices for services, etc. shall be issued by the Accounting Office and not by individual departments except when deemed appropriate for a department to bill for its own events.

Investigations of Potential Misuse of Recourses

Misuse is 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 includes state and federal laws and District policy and regulations.

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 loss and promotes recovery of District resources;
- Identifies controls which should be strengthened to reduce future vulnerability regarding misuse of District resources;
- Protects the rights of the accused, the interests of those making allegations, and the public interest;
- Provides confidentiality compatible with an effective response and applicable reporting requirements; and
- Guards against real or apparent conflict of interest.

Revolving Cash Fund

Responsibility and Authority

The Revolving Cash Fund is entrusted to the Director, Fiscal Services, who is responsible for the fund.

Revolving Cash Fund Expenses

The purposes of this portion of the fund are:

- To respond to unforeseen emergency situations affecting the safe operation or successful completion of a District activity.
- To make cash purchases of no more than \$399 per day. These expenditures should be made only when it is not practical or cost-efficient to purchase through our Purchasing Office.

The procedures for using this fund are:

- Obtain the online Revolving Cash request form (form is available online). Complete as follows:
 - a. Date.
 - b. Total cost of purchase (not to exceed \$399, including all taxes, etc.).
 - c. Account number: Requester must determine that money has been budgeted and that funds are available. (Requests which do not have available account balances will not be honored. Reimbursement will not be made for expended money if budgeted funds are not available.)
 - d. Quantity, unit description, unit price, and amount of items purchased.
 - e. Signatures and Approvals are obtained online using adobe sign. Requester must sign off on the form before sending it out to their Budget administrator and Fiscal for approval.
- Sign the itemized receipt or invoice showing the payment has been made. You are certifying that the goods listed have, in fact, been received in usable condition. The receipt or invoice must be the original.
- Submit the original signed receipt or invoice to Fiscal Services. Request for a revolving cash reimbursement must be made within two months of purchase.
- Fiscal Services will issue payment to the purchaser by check.
- Request for reimbursement for items must be submitted before the end of the fiscal year. Therefore, all receipts for a given fiscal year must be received in Fiscal Services prior to June 30th of each fiscal year.
- Any employee requesting reimbursement for purchases exceeding \$399 is responsible for completing form "Request for Exception to \$399.99 Revolving Cash Limit" and attaching it to the Revolving Cash documents forwarded to Fiscal Services.

- All reimbursement requests for refreshments or meals, must include the In-Service form. See BP/AP 6975 Expenses for Special In-Service Training, Workshops, or Events.
- Gratuities, (a reasonable, customary tip or mandatory fee, up to 20%) for refreshments or meals for an In-service training workshop or event can be claimed, not to exceed federal regulations, as long as the gratuity is part of the itemized receipt. (Gratuities are included in the IRS meal per diem rate. Per diem reimbursement must be claimed on the travel claim form if part of a conference.)

Any debts incurred through misuse of this fund are debts of the purchaser. Misuses are:

- Non-compliance with the \$399 limitation. This includes:
 - The purchase of identical or different items from the same or different vendor totaling more than \$399 on the same day.
 - Other attempts to circumvent the intent of this procedure.
- No funds available in specific accounts.
- Lost receipts or invoices.
- Incomplete Revolving Cash Fund Vouchers.
- Purchases of food or drink for personal consumption (except for special purpose training, workshops, or events as provided by Board policy), office decoration items, or any other item that could be considered for personal rather than for District use or benefit.

Any petty cash funds established are entrusted to the Director, Fiscal Services who is responsible for the funds.

Reimbursement of the petty cash fund is made through the Revolving Cash Fund. Prepare a voucher for the total dollar amount of the receipts as described above. Receipts for a petty cash reimbursement for items purchased more than six months previously are not eligible for reimbursement. All receipts must be submitted for reimbursement prior to the end of a fiscal year.

Also see BP/AP 6200 Budget Preparation, BP/AP 6250 Budget Management, BP 6300 Fiscal Management, AP 6305 Reserves, AP 6310 Accounting, and AP 6315 Warrants, AP 6330 Purchasing.

Approved: No date

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(Replaces former LBCC AR 6004)