

Business Services

1 AP 6300 FISCAL MANAGEMENT

2 References:

- 3 Education Code, Section 84040(c);
- 4 Title 5, Section 58311;
- 5 ACCJC Accreditation Standard III.D.9 (*formerly III.D.2*)

6 The Cerritos Community College District is committed to principles of sound fiscal
7 management and will provide responsible stewardship of available resources. The
8 District adheres to commonly accepted auditing standards as criteria for its fiscal
9 management procedures. The President/Superintendent delegates the authority to the
10 Vice President of Business Services to oversee the District's fiscal management and
11 manage the District purchasing processes.

12 The Vice President of Business Services shall:

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

34 **ACCOUNTING**

35 **References:**

36 Budget and Accounting Manual, Chapters 3 and 4
37 Education Code, Section 70902

38 All employment requests and requisitions for purchases shall be processed through Fiscal
39 Services to ensure that the document has the proper approval, is charged to the correct
40 account, and that funds are available.

41 Fiscal Services is responsible for the maintenance of an approved system of financial
42 records, including receipts, expenditures, payrolls upon proper certification, the
43 preparation of quarterly financial reports, and other financial statements as directed for
44 all District, Student Body, and other entities' financial transactions.

45 **PAYROLL**

46 **Reference:**

47 Education Code, Section 70902

- 48 • Payroll periods (10 month, 11 month, 12 month)
49 10 month – full-time faculty (teachers), part-time faculty, full-time classified
50 11 month – full-time classified
51 12 month – full-time faculty (counselors, librarians, and coordinators), full-time
52 classified, confidential, management, regular classified hourly, and short-term
53 hourly (as needed)

- 54 • Frequency of payment for particular classes of employees (once or more often
55 per payroll period)
56 Full-time faculty (10 month teachers, regular full-time assignment) – last working
57 day of the month
58 Full-time faculty (10 month teachers, overload assignment) – by the 5th of the
59 following month
60 Full-time faculty (11 and 12 month, regular assignment) – first working day of the
61 month
62 Full-time faculty (11 and 12 month, overload assignment) – by the 5th of the
63 following month
64 Part-time faculty – by the 5th of the following month
65 Certificated Administrators (President, VP, Deans, Cert. Management) – once a
66 month (1st working day of the month)
67 Full-time classified and confidential – twice a month (10th and 25th)
68 Classified Management – twice a month (10th and 25th)
69 Short-term hourly and Regular Classified hourly – once a month (10th)
70 For late pays there are supplement schedules.

71 • Lead time needed for payroll record adjustment (e.g. name changes, etc.)
72 Name change – as soon as the employee is able to provide a social security card
73 verifying name change.
74 Address change – immediately
75 W4 forms – immediately
76 TSA change – immediately

77 • Procedures to be followed if wages are garnished
78 Paperwork is received by District and forward to Los Angeles County Office of
79 Education (LACOE). LACOE has an area specialized in garnishment. If an
80 employee has a question regarding a garnishment, the payroll office refers them
81 to LACOE.

82 Paperwork received by the District from the county office will be forwarded to the
83 employee.

84 Per LACOE, due to the privacy act they will not disclose information to the District.

85 • Procedures to be followed if an employee is underpaid
86 Whenever it is determined that a District error has been made in underpaying an
87 employee, the District will issue a check normally within 5 working days (based on
88 county monthly payroll schedule).

89 • Procedures to be followed if an employee is overpaid
90 Whenever it is determined that a District error has been made in overpaying an
91 employee, the employee will be notified verbally and/or in writing. After the
92 employee has been notified, the District will either deduct overpayment from future
93 payroll warrants or the employee has the option of paying the District back via
94 check or money order.

95 It is the responsibility of immediate managers to approve all payroll time reports and to
96 forward/transmit them to the appropriate office according to established time schedules.
97 These reports should ultimately be forwarded/transmitted to the Payroll Department.

98 Time cards completed for classified hourly and short-term hourly employment must be
99 properly signed by the hourly employee and approved by the immediate supervisor and/or
100 the responsible manager before being forwarded to the Payroll Department.

101 Warrants for salary payments will be made according to the schedule furnished by the
102 Los Angeles County Office of Education. All employees may utilize the District automatic
103 payroll deposit system. Payroll warrants can be picked up at the payroll window, placed
104 in mailbox by switchboard, or mailed.

105 **COLLECTION OF MONEY**

106 **References:**

107 Education Code, Sections 70902, 76063, and 76064

108 Unless stipulated differently by a Board-approved contract, all tickets to District or ASCC
109 events shall be pre-numbered and a detailed summary of all ticket sales for each event
110 shall be submitted to Fiscal Services along with deposited funds by the manager
111 responsible for the event.

112 All collections of money from students or others for sale of shop or other materials; for
113 willful breakage of, loss of, or damage to college property; for rents, for sale of obsolete
114 materials; or from any source shall either be deposited not less frequently than weekly in
115 the Business Services' Office with a statement showing the source of the collections
116 together with a duplicate copy of the descriptive sub-receipt issued, or Business Services
117 may make arrangements for armored car pickup at source of collection. All money
118 collected shall be deposited in the above manner and shall not be used for individual gain
119 or miscellaneous expense. Only individuals authorized by the Vice President of Business
120 Services to receive funds may do so.

121 **WARRANTS**

122 **Cash Disbursement**

123 Disbursement Procedures

- 124 • Disbursement must be properly authorized and supported by adequate
125 documentation.
- 126 • All disbursements shall be made by warrant/check.
- 127 • All warrants/checks shall be pre-numbered.
- 128 • All disbursements shall be substantiated by supporting documents including
129 evidence of purchase, receipt, and approval.
- 130 • All supporting documents shall be canceled in such a manner as to preclude their
131 reuse.
- 132 • Bulk check stock shall be adequately controlled and accounted for.
- 133 • Daily use check stock shall be issued to the check-preparer on an adequate
134 transfer/control document.
- 135 • There shall be adequate separation of duties to reduce the risk of collusion and
136 fraud.
- 137 • The drawing of a warrant to "cash" or "bearer" is prohibited.
- 138 • Electronic signature plates shall be secured and issued only to authorized
139 individuals.

140 **RESERVES**

141 **Reference:**

142 Budget and Accounting Manual, Chapter 5 Appendix A

143 The District should maintain a reserve no less than 5% of the total expenditures of the
144 adopted budget.

145 **INVESTMENTS**

146 **References:**

147 Government Code, Sections 53600 et seq.

148 The District is not fiscally independent; therefore all funds are deposited, invested, and
149 maintained with the Los Angeles County Treasurer's Office through the Los Angeles
150 County Office of Education. The District has no funds in excess of those required for the
151 immediate needs of the District. No person may engage in an investment transaction
152 except as provided under the terms Board Policy 6300 titled Fiscal Management and the
153 investment plan established by the President/Superintendent or designee.

154 Should the District have such excess funds, the following investment options are
155 available.

156 District funds maintained by the County Treasurer that are not required for the immediate
157 needs of the District may be invested as follows:

- 158 • County Treasurer's Investment Pool - Investment of District funds may be
159 delegated to the County Treasurer. In accordance with county procedures, District
160 funds may be pooled with other local agencies and invested by the County
161 Treasurer in accordance with the investment guidelines specified by Government
162 Code, Section 53635 and investment policies adopted by the County Board of
163 Supervisors.
- 164 • State's Local Agency Investment Fund (Government Code, Sections 16429.1 -
165 16429.3) - District funds not required for immediate needs of the District may be
166 remitted to the State Local Agency Investment Fund (LAIF) for the purpose of
167 investment (Government Code, Section 16429.1). District funds deposited with
168 the LAIF shall be invested by the State Treasurer in securities prescribed by
169 Government Code, Section 16430 or the Surplus Money Investment Fund and as
170 determined by the Local Investment Advisory Board (Government Code, Section
171 16429.2).
- 172 • Other Investments - Other investments as permitted by Government Code,
173 Sections 53600 et seq., and in particular Government Code, Sections 53601 and
174 53635, may be made by the Vice President of Business Services subject to prior
175 approval of the Board of Trustees.

176 **PURCHASING**

177 **References:**

178 Education Code, Sections 70902 and 81530

179 A District warehouse shall be maintained to stock supply items used in volume by the
180 District, to provide receiving services, and to provide fueling services for College vehicles
181 and other Maintenance Department equipment.

182 Unless otherwise authorized by the Purchasing Department, all supplies and equipment
183 purchased for the District and Student Body shall be delivered to the Warehouse for
184 inspection and subsequent delivery to the ordering department. Payment authorization
185 for supplies or equipment shall be made after receipt and acceptance by the manager of
186 ordering department.

187 Office of Primary Responsibility: Vice President, Business Services

Date Approved: April 23, 2007

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(Replaces former Cerritos CCD Policies 5005.1, 5005.2.1, 5005.2.2, 5005.2.3, 5005.3, 5005.4.2, 5005.5, 5006.1, and 5006.2)