

Business Services

1 **AP 6300 FISCAL MANAGEMENT**

2 **References:**

- 3 Education Code, Section 84040(c);
4 Title 5, Section 58311;
5 ACCJC Accreditation Standard 3
6 2 Code of Federal Regulations Parts 200.302(b)(6-7), 200.305, and 200.400 et
7 seq.

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

14 The Vice President of Business Services shall:

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

- 39 • Provide procedures to implement the requirements of 2 Code of Federal
40 Regulations Part 200.305 governing payments.

41 **ACCOUNTING**

42 **References:**

- 43 Budget and Accounting Manual, Chapters 3 and 4
44 Education Code, Section 70902

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

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

52 **PAYROLL**

53 **Reference:**

- 54 Education Code, Section 70902

- 55 • Payroll periods (10 month, 11 month, 12 month)
- 56 ○ 10 month – full-time faculty (librarians), part-time faculty, full-time classified
 - 57 ○ 11 month – full-time classified, full-time faculty (librarians)
 - 58 ○ 12 month – full-time faculty (counselors, librarians, instructional
 - 59 specialists, and coordinators), full-time classified, confidential,
 - 60 management, regular classified hourly, and short-term hourly (as needed)
- 61 • Frequency of payment for particular classes of employees (once or more often
- 62 per payroll period)
- 63 ○ Full-time faculty (10 month, regular full-time assignment) – last working
 - 64 day of the month
 - 65 ○ Full-time faculty (10 month, overload assignment) – by the 5th of the
 - 66 following month
 - 67 ○ Full-time faculty (11 and 12 month, regular assignment) – first working day
 - 68 of the month
 - 69 ○ Full-time faculty (11 and 12 month, overload assignment) – by the 5th of
 - 70 the following month
 - 71 ○ Part-time faculty – by the 5th of the following month
 - 72 ○ Certificated Administrators (President, VP, Deans, Cert. Management) –
 - 73 once a month (first working day of the month)
 - 74 ○ Full-time classified and confidential – twice a month (10th and 25th)
 - 75 ○ Classified Management – twice a month (10th and 25th)
 - 76 ○ Short-term hourly and Regular Classified hourly – once a month (10th)

77 For late pays there are supplement schedules.

- 78 • Lead time needed for payroll record adjustment (e.g. name changes, etc.)
 - 79 ○ Name change – as soon as the employee is able to provide a social
 - 80 security card verifying name change.
 - 81 ○ Address change – immediately
 - 82 ○ W4 forms – immediately
 - 83 ○ TSA change – immediately
- 84 • Procedures to be followed if wages are garnished
 - 85 ○ Paperwork is received by District and forward to Los Angeles County
 - 86 Office of Education (LACOE). LACOE has an area specialized in
 - 87 garnishment. If an employee has a question regarding a garnishment, the
 - 88 payroll office refers them to LACOE.

89 Paperwork received by the District from the county office will be forwarded to the
90 employee.

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

- 92 • Procedures to be followed if an employee is underpaid
 - 93 ○ Whenever it is determined that a District error has been made in
 - 94 underpaying an employee, the District will issue a check normally within
 - 95 five working days (based on county monthly payroll schedule).
- 96 • Procedures to be followed if an employee is overpaid
 - 97 ○ Whenever it is determined that a District error has been made in
 - 98 overpaying an employee, the employee will be notified verbally and/or in
 - 99 writing. After the employee has been notified, the District will either deduct
 - 100 overpayment from future payroll warrants or the employee has the option
 - 101 of paying the District back via check or money order.

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

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

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

112 **COLLECTION OF MONEY**

113 **References:**

114 Education Code, Sections 70902, 76063, and 76064

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

119 All collections of money from students or others for sale of shop or other materials; for
120 willful breakage of, loss of, or damage to college property; for rents; for sale of obsolete
121 materials; or from any source shall either be deposited no less frequently than weekly in
122 the Business Services' Office with a statement showing the source of the collections
123 together with a duplicate copy of the descriptive sub-receipt issued, or Business Services
124 may make arrangements for armored car pickup at source of collection. All money
125 collected shall be deposited in the above manner and shall not be used for individual gain
126 or miscellaneous expense. Only individuals authorized by the Vice President of Business
127 Services to receive funds may do so.

128 **WARRANTS**

129 **Cash Disbursement**

130 Disbursement Procedures

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

147 **RESERVES**

148 **Reference:**

149 Budget and Accounting Manual, Chapter 5 Appendix A
150 California Community Colleges Chancellor's Office, Fiscal Memo FS 22-03

151 The District's unrestricted general fund reserves should be no less than two months of
152 total general fund operating expenditures.

153 **INVESTMENTS**

154 **References:**

155 Government Code, Sections 53600 et seq.

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

162 Should the District have such excess funds, the following investment options are
163 available.

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

- 166 • County Treasurer's Investment Pool - Investment of District funds may be
167 delegated to the County Treasurer. In accordance with county procedures, District
168 funds may be pooled with other local agencies and invested by the County
169 Treasurer in accordance with the investment guidelines specified by Government
170 Code, Section 53635 and investment policies adopted by the County Board of
171 Supervisors.
- 172 • State's Local Agency Investment Fund (Government Code, Sections 16429.1 -
173 16429.3) - District funds not required for immediate needs of the District may be
174 remitted to the State Local Agency Investment Fund (LAIF) for the purpose of
175 investment (Government Code, Section 16429.1). District funds deposited with
176 the LAIF shall be invested by the State Treasurer in securities prescribed by
177 Government Code, Section 16430 or the Surplus Money Investment Fund and as
178 determined by the Local Investment Advisory Board (Government Code, Section
179 16429.2).
- 180 • Other Investments - Other investments as permitted by Government Code,
181 Sections 53600 et seq., and in particular Government Code, Sections 53601,
182 53601.8, 53605, and 53635.8, may be made by the Vice President of Business
183 Services subject to prior approval of the Board of Trustees.

184 **PURCHASING**

185 **References:**

186 Education Code, Sections 70902 and 81530

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

190 Unless otherwise authorized by the Purchasing Department, all supplies and equipment
191 purchased for the District and Student Body shall be delivered to the Warehouse for
192 inspection and subsequent delivery to the ordering department. Payment authorization
193 for supplies or equipment shall be made after receipt and acceptance by the manager of
194 ordering department.

195 Office of Primary Responsibility: Vice President, Business Services

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