

AP 6300 FISCAL MANAGEMENT

References:

Education Code Section 84040(c);
Title 5 Section 58311;
Accreditation Standard III.D.2

NOTE: Procedures on fiscal management are **legally required**. Local practice may be inserted. Inclusion of the following minimum standards, which are selected from those listed as principles for sound fiscal management in Title 5, will, in part, assure that the procedure complies with requirements. In addition, the District should refer to commonly accepted auditing standards as criteria for fiscal management procedures.

The Chancellor shall ensure that operational infrastructure and processes are in place, as follows:

- 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 revenues 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 designated administrators 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 Governing Board, staff, and students.
- Provide for an adequate financial 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, with broad based input coordinated with District educational planning.

NOTE: The **red ink** signifies language that is **legally required** and recommended by the Policy and Procedure Service and their legal counsel. Barbara Yesnosky reviewed this procedure on March 12, 2013 and recommended the language in **green ink**. . The language in purple was added by Lorenzo Legaspi on 5/8/13

Date Approved:

(This is a new procedure recommended by the Policy and Procedure Service)