



Board Policy
Chapter 6 – Business & Fiscal Affairs

BP 6300 FISCAL MANAGEMENT

The Superintendent/President shall establish procedures to assure that the District’s fiscal management is in accordance with the principles contained in Title 5 Section 58311, including:

- Adequate internal controls exist.
- Fiscal objectives, procedures, and constraints are communicated to the Board of Trustees and employees.
- Adjustments to the budget are made in a timely manner, when necessary.
- The management information system provides timely, accurate, and reliable fiscal information.
- Responsibility and accountability for fiscal management are clearly delineated.

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

As required by law, the Board shall be presented with a quarterly report showing the financial and budgetary conditions of the District.

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.

Revolving Cash

The Board of Trustees authorizes establishing a revolving cash fund to expedite the purchase of services and/or materials and to accommodate corrections for payroll. The Superintendent/President shall ensure the maintenance of these funds.

Also see BP/AR 6200 Budget Preparation, BP/AR 3250 Budget Management, AR 6300 Fiscal Management, BP/AR 6305 Reserves, AR 6310 Accounting, and AR 6315 Warrants.

Debt Issuance

The Board of Trustees, prior to issuance, must authorize issuance of any of the following debt obligations of the District:

- General obligation bonds (“G.O. Bonds”)
- Bond anticipation notes (“BANs”)
- Lease-purchase agreements (“Leases”)
- Certificates of participation (“COP”)
- Tax and revenue anticipation notes (“TRANS”)
- Other issuance that constitutes debt under the California constitution

Compliance with State and Federal Law – The District shall maintain strict compliance at all times with State and Federal law applicable to its debt instruments.

Post Closing – The District shall take such actions and maintain such records regarding the District’s debt issues as may be required pursuant to the Tax Code and pertinent regulations, including, without limitation, information required to calculate arbitrage rebate due to the Department of the Treasury, and to ensure compliance with the District’s continuing disclosure obligations incurred pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

Student Government Funds (See BP/AR 5420 Associated Students Finance for details)

The Board of Trustees in its supervisory role over the receipts and expenditures of the student government organizations shall direct the Superintendent/President to assure proper handling of these funds in accordance with the California Education Code.

References:

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

Adopted: August 7, 2000 (for BP 6112, BP 6113, and BP 6116)

Revised: April 7, 2015 (for BP 6116); December 4, 2018

(Replaces SMC BP 6112, BP 6113, and BP 6116)