

Chapter 6

Business and Fiscal Affairs

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Delegation of Authority

AO 6100

Adoption Date: April 26, 2002

The Board of Directors delegates to the Director of the Auxiliary Organization the authority to supervise the general business procedures of the Auxiliary to assure the proper administration of property and contracts; the budget, audit, and accounting of funds; the acquisition of supplies, equipment, and property; and the protection of assets and persons. This authority is further specified in Sections 6250, 6300 and 6340.

No contract shall constitute an enforceable obligation against the Auxiliary until it has been approved by the Board (See AO Policy 6340).

The Director shall make appropriate periodic reports to the Board and shall keep the Treasurer fully advised regarding the financial status of the Auxiliary.

The Chief Financial Officer shall report on the financial status of the Auxiliary Organization to the Board at quarterly meetings of the Board of Directors.

Designation of Authorized Signatures

AO 6150

Adoption Date: April 26, 2002

Authority to sign orders and other transactions on behalf of the Board of Directors is delegated to the Board Chair and other officers appointed by the Board Chair.

Budget Preparation

AO 6200

Adoption Date: April 26, 2002

Each year, the Chief Financial Officer shall present to the Board a budget. The yearly budget shall be presented in a format that is congruent with the California Community Colleges' Budget and Accounting Manual and the budget of the GCCCD.

Budget Management

AO 6250

Adoption Date: April 26, 2002

Board of Directors' approval is required for changes between major expenditure classifications. Transfers between expenditure classifications must be approved by a majority vote of the members of the Board. Board approval may be on a ratification basis. Budget changes over \$60,000 require the advanced approval of the Chief Financial Officer.

Fiscal Management

AO 6300

Adoption Date: April 26, 2002

The Chief Financial Officer shall establish procedures to assure that the Auxiliary fiscal management is in accordance with the following principles:

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

The books and records of the Auxiliary shall be maintained congruent with the California Community Colleges Budget and Accounting Manual.

The Board shall be presented with a quarterly report showing the financial and budgetary status of the Auxiliary.

To comply with applicable rules of certain federally-funded grants, it is the policy of the GCCCD Auxiliary that each employee must complete a monthly signed allocation statement form showing the percentage of time during the payperiod that the employee worked on specific grant-funded programs. The allocation statement form must be filed monthly with the employee's timesheet. This applies to all employees whose work is paid by more than one grant-funding source during that payperiod. The allocation statement form must be completed semi-annually (usually December 20 and June 20) if the employee's work is paid by a single grant-funding source throughout the prior 6 months.

The completed, original-signature forms are to be stapled to each monthly timesheet when it is submitted (or, if applicable, submitted semi-annually, usually for the six months ending December 20th and June 20th).

Investments

AO 6320

Adoption Date: April 26, 2002

The Chief Financial Officer is responsible for ensuring that the funds not required for the immediate needs of the Auxiliary are invested.

This investment policy applies to all financial assets held by the Auxiliary except those, if any, that are specifically exempted by statute or local policy. This policy applies to all transactions involving the financial assets and related activity of all funds of the Auxiliary. The primary investment objectives, in priority order, shall be:

1. Safety;
2. Liquidity;
3. Return on investment.

Management responsibility for the Auxiliary's investment plan is hereby delegated to the Auxiliary Chief Financial Officer. No person may engage in an investment transaction except as provided under the terms of this policy and the investment plan established by the Chief Financial Officer.

The Chief Financial Officer shall prepare and annually present to the Board as Information the written investment plan related to this policy, and shall during the course of the year update the Board on the status of the Auxiliary's investments.

Purchasing

AO 6330

Adoption Date: April 26, 2002

The Director of the Auxiliary Organization is delegated the authority to purchase supplies, materials, apparatus, equipment, and services as necessary to the efficient operation of the Auxiliary.

All such transactions shall be reviewed by the Chief Financial Officer monthly and by the Board quarterly.

Purchases over \$60,000 require the advanced approval of the Chief Financial Officer.

Purchasing Jointly Through Other Public Agencies

AO 6331

Adoption Date: April 26, 2002

The Board of Directors authorizes the Director of the Auxiliary Organization to seek advantages in savings that may accrue to this Auxiliary through a purchasing cooperative with public agencies and to evaluate any savings which may result from the purchase of materials, supplies, or equipment under contracts entered into by the state or county.

The Director shall negotiate such purchasing cooperative agreements for services, supplies, and materials as may be appropriate in accordance with state law, the policies of this Auxiliary, and the dictates of sound purchasing procedures. The Director shall report all such negotiations to the Board and seek Board approval for all contemplated agreements.

Contracts

AO 6340

Adoption Date: April 26, 2002

The Board of Directors delegates to the Director of the Auxiliary Organization the authority to enter into contracts on behalf of the Auxiliary and to establish administrative procedures for contract awards and management, subject to the following:

- Contracts for work to be done, services to be performed or for goods, equipment, or supplies to be furnished or sold to the Auxiliary that exceed \$60,000 shall require advanced approval by the Chief Financial Officer or President.

If the best interests of the Auxiliary will be served by a contract, lease, requisition, or purchase order through any other public corporation or agency, Director is authorized to proceed with a contract.

It is the policy of the Board that the Director will attempt to obtain competitive quotes, bids or proposals to insure that the best products and services are obtained at the lowest possible cost.

Audits

AO 6400

Adoption Date: April 26, 2002

There shall be an annual outside audit of all funds, books, and accounts of the Auxiliary Organization. The Chief Financial Officer shall assure that an annual outside audit is completed.

The Auxiliary shall use the same certified public accounting firm as the Grossmont-Cuyamaca Community College District.

Sub-Recipient Monitoring

AO 6420

Adoption Date: June 30, 2008

To comply with applicable rules of certain Federally-funded grants, it is the policy of the GCCCD Auxiliary that all sub-recipients of applicable Federally-funded grants shall be monitored for compliance, in accordance with Federal rules, and per OMB Circular A-133, Audits of State and Local Governments and Not-for-Profit Organizations, section 400 (d), pass-through entity responsibilities, which requires that the recipient organization must be responsible for accurately communicating requirements, monitoring compliance, insuring proper reporting, and followup on any corrective actions that result from audits that the sub-recipient must have annually.

One, or more, employees of the GCCCD Auxiliary shall be assigned by the director of the GCCCD Auxiliary to be responsible for monitoring sub-recipients for compliance with the Federally-funded grant paying for the associated services and activities. The assigned employee(s) must document, on at least an annual basis, that the sub-recipient was monitored for compliance with the Federal rules of the associated grant. The signed monitoring report must be provided to the director of the Auxiliary, who must retain it with the associated grant files. Such report should usually be submitted on approximately June 30th of each year.

Certification of Time Worked

AO 6440

Adoption Date: June 30, 2008

To comply with applicable rules of certain Federally-funded grants, it is the policy of the GCCCD Auxiliary that each employee must complete and sign a monthly certification of time worked form showing the percentage of time during the payperiod that the employee worked on applicable Federally-funded programs. This policy applies to all employees whose work is paid during a payperiod by more than one or more of the applicable Federally-funded grants. The form may be submitted to the GCCCD Auxiliary accountant monthly. The exception is that the form may be submitted semi-annually (usually December 20 and June 20) if the employee's work is paid by a single applicable Federally-funded grant-funding source throughout the prior 6 months.

Real Property Management

AO 6500

Adoption Date: April 26, 2002

The Chief Financial Officer is delegated the authority to act as the Board's negotiator regarding all property management matters that are necessary for the benefit of the Auxiliary. No transaction regarding the lease, sale, use, or exchange of real property by the Auxiliary shall be enforceable until acted on by the Board itself.

The Chief Financial Officer shall establish such procedures as may be necessary to assure compliance with all applicable laws relating to the sale, lease, use, or exchange of real property by the Auxiliary.

Security for Auxiliary Property

AO 6520

Adoption Date: April 26, 2002

The Director of the Auxiliary Organization shall establish procedures necessary to manage, control, and protect the assets of the Auxiliary, including, but not limited to, ensuring sufficient security to protect property, equipment, and information from theft, loss, or significant damage.

Responsibility for Personal Property

AO 6525

Adoption Date: April 26, 2002

The Auxiliary shall not be responsible for personal property belonging to employees or students either on or off Auxiliary Organization property. The Auxiliary will not provide reimbursement for the loss, destruction, or damage by arson, burglary, or vandalism of personal property. Personal property will not be received or stored by Auxiliary personnel on Auxiliary property.

Insurance

AO 6540

Adoption Date: April 26, 2002

The Director of the Auxiliary Organization shall be responsible for securing insurance for the Auxiliary as required by law and congruent with Grossmont-Cuyamaca Community College District practices.

- Liability for damages for death, injury to persons, or damage or loss of property.
- Personal liability of the members of the Board of Directors and the officers and employees of the Auxiliary for damages for death, injury to a person, or damage or loss of property caused by the negligent act or omission of the member, officer or employee when acting within the scope of his or her office of employment. The Chair may authorize coverage for persons who perform volunteer services for the Auxiliary.
- Worker's compensation insurance.

Insurance also shall include fire insurance and insurance against other perils.

The Auxiliary may join in a joint powers agreement for the purposes described in this policy.

Disposal of Property

AO 6550

Adoption Date: April 26, 2002

The Director of the Auxiliary Organization is delegated to declare as surplus such personal property of the Auxiliary as is no longer useful for Auxiliary purposes, and shall establish procedures to dispose of such property in accordance with applicable law. All sales of surplus personal property shall be reported to the Board of Directors on an annual basis.

Naming of Facilities

AO 6620

Adoption Date: April 26, 2002

All recommendations for naming of facilities shall be submitted to the Board of Directors by the Director of the Auxiliary Organization for action. If the Board of Directors approves a name, it shall be recommended to the Chancellor of the Grossmont-Cuyamaca Community College District for consideration.

The Governing Board of the Grossmont-Cuyamaca Community College District has the final approval authority concerning the naming of facilities.

Safety

AO 6800

Adoption Date: April 26, 2002

The Director of the Auxiliary Organization shall establish administrative procedures to ensure the safety of employees and others on Auxiliary premises.