

BP 3.11 Sound Fiscal and Management Practices

Legal Authority *NCGS 115D-20; NCGS 115D-58.16; 143-D7; 1A SBCCC 200.4*

Approvals *06/10/2021*
Revision

Policy

The Board of Trustees authorizes the President to implement procedures, practices, and controls necessary to ensure that all of the College's funds are properly handled. The President shall ensure that:

1. Funds are expended prudently and consistently within the approved budget.
2. The budget is executed with sound stewardship of state financial resources, ensuring whenever possible that the percentage of state current operating funds remaining unexpended at the end of a fiscal year does not exceed five percent of the College's budget for such funds or five times the system-wide percentage, whichever is higher.
3. Institutional fund accounts do not have a negative balance at the end of the fiscal year unless such an instance exists for a planned reason, such as anticipated reimbursement. If any institutional fund account has a negative balance at year-end, the negative fund balance, after the posting of all accrual entries, shall be reviewed by the President. In the event the negative balance is not due to a planned reason, the President shall develop a plan to rectify the negative balance, and the information shall be reported to the Board of Trustees at its first scheduled meeting following year-end.
4. Expenditures are tracked consistent with the North Carolina Community College System's (NCCCS) Chart of Accounts, as outlined in the NCCCS Accounting Procedures Manual.
5. Financial reports are provided to the Board of Trustees monthly.
6. A system of financial controls is maintained in accordance with N. C. General Statute 143D-7.
7. The College does not overdraw accounts. The President shall ensure that bank accounts are reconciled and any discrepancies and a plan for resolution are identified within 30 business days from the end of the prior month. In the event of non-compliance with this requirement more than once during a fiscal year, the situation shall be reported to the Board of Trustees at its first scheduled meeting following the month of non-compliance.
8. Complete and accurate financial statements are submitted to the North Carolina Office of the State Controller by the prescribed deadline.
9. Audits are conducted consistent with N. C. General Statutes 115D-20(9) and 115D-58.16.
10. All findings identified in audits, compliance reviews, SACSCOC reviews or other monitoring reviews are addressed and resolved.

11. Employees of the College may collect and handle funds only after authorization by the President. When funds are collected, they are to be safeguarded, receipted, and handled in strict compliance with procedures prescribed by the President. Funds collected shall be turned in to the Business Office on the day they are collected (or next Business Day if the Business Office is closed for unavailable). All funds received by the Business Office are required to be deposited in a bank no later than the next business day following collection.
12. The President shall actively seek to fill leadership and supervisory positions in a timely manner with individuals of high competence, and provide a vacancy report to the Board of Trustees as information at least semi-annually.