



Book	Board Policy
Section	Chapter 6 - Business and Fiscal Affairs (including former Article 3 - Business, Operations, Systems and Facilities)
Title	Principles of Sound Fiscal Management
Code	BP 3000
Status	Active
Legal	California Code of Regulations, Title 5, Section 58311
Adopted	August 16, 1999
Last Revised	January 7, 2008

The Board of Trustees recognizes the importance of fiscal stability in the District and hereby directs the Chancellor, and by delegation, designated employees to adhere to the following principles of sound fiscal management:

- a. To provide responsible stewardship of available resources.
- b. To maintain fiscal planning processes that address short- and long-term educational missions, goals and objectives and include constituency input.
- c. To maintain adequate cash and fund balance reserves to meet short-term and long-term needs, obligations and liabilities.
- d. To implement and maintain effective internal controls.
- e. To aggressively prosecute any fraudulent activity.
- f. To limit the District's exposure to undue liability and risk.
- g. To identify sources of revenue prior to making short-term and long-term commitments.
- h. To establish and maintain current plans for the repair and replacement of equipment and facilities needed to sustain the instructional and support programs.
- i. To maintain human resource practices consistent with legal requirements and program objectives and to ensure that salary and benefit costs and obligations do not exceed available financial resources.
- j. To ensure that auxiliary activities having a fiscal impact on the District are consistent with the instructional mission of the District and comply with sound business, accounting, budget, and public disclosure and audit principles.
- k. To incorporate in the organizational structure a clear delineation of fiscal responsibilities and staff accountability.
- l. To keep the Board informed regarding the current fiscal condition of the District as an integral part of the decision-making processes.
- m. To develop and communicate effective fiscal policies, objectives and procedures to the Board, staff, students and community.
- n. To maintain an effective and efficient information system in order to provide timely, accurate and reliable fiscal, human resource and student information to appropriate staff for planning, decision making, resource allocation and budget control.
- o. To establish and maintain effective processes to evaluate significant changes in the fiscal environment in order to make necessary and timely financial and program adjustments.

Approved 8/16/99
Revised 1/7/08