

**Chaffey Community  
College District**

5885 Haven Avenue  
Rancho Cucamonga, CA 91737-3002

**Executive Expectations**  
**Policy Category 3**  
**Chapter 6: Business/Fiscal Affairs**

Budget Preparation

**Date:** 2/5/02      **Section** 6.2

**Revised:** 1/22/03      **Page** 1 of 4

## ***6.2 BUDGET PREPARATION***

Financial planning and budgeting support the achievement of Board-approved Ends policies and priorities, ensure fiscal health and stability, based on multi-year projections. [Education Code Sections 70902(b)(5)(d); 81655, 81656; Title 5, Sections 58300, 58307, 58308 et seq.]

### 6.2.1 Budget Plan

The superintendent/president shall present a budget or plan to the Board that shall:

- A. Include reasonable assumptions on which planning and budgeting are based.
- B. Support the educational programs and services of the district.
- C. Identify all sources and amounts of anticipated income, along with projected expenditures for that fiscal year.

### 6.2.2 Budget Management [Title 5 Sections 58307, 58308]

The budget shall be managed in accordance with Title 5 and the California Community Colleges Budget and Accounting Manual. Budget revisions shall be made only in accordance with these policies and as provided by law.

### 6.2.3 Reserve

The superintendent/president shall:

- A. Add revenues accruing to the district in excess of amounts budgeted to the district's reserve for contingencies.
- B. Make available for appropriation only upon a resolution of the board that sets forth the need according to major budget classifications in accordance with applicable law.
- C. Maintain the unrestricted general fund reserve at, or above, 7%.



**Chaffey Community  
College District**

5885 Haven Avenue  
Rancho Cucamonga, CA 91737-3002

**Executive Expectations  
Policy Category 3  
Chapter 6: Business/Fiscal Affairs**

Budget Preparation

**Date:** 2/5/02      **Section** 6.2

**Revised:** 1/22/03      **Page** 2 of 4

- D. Maintain and identify additional restricted reserves specific short and long-term liabilities.
- E. Require board approval for changes between major expenditure classifications
- F. Require two-thirds vote of the members of the Board for transfers from the reserve for contingencies to any expenditure classification.
- G. Require majority vote of the members of the Board for transfers between expenditure classifications.

6.2.4 Fiscal Management [Education Code Section 84040(c); Title 5, Section 58311]

The superintendent/president shall ensure that the fiscal condition and activity of the district ensures fiscal health and stability, supports Board priorities established in the Ends policies and financial planning and budgeting, and is consistent with generally accepted principles of accounting and business practices.

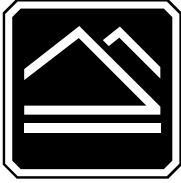
6.2.5 Investments [Government Code Sections 53600 et seq.]

The superintendent/president is responsible for ensuring that the funds of the district are invested that are not required for the immediate needs of the district. Investments shall be in accordance with law.

6.2.6 Purchasing [Education Code Section 81656; Public Contracts Code Section 20650]

The superintendent/president shall:

- A. Operate with a current purchasing manual that includes clear delegation of purchasing authority, covers supplies, equipment, and services, and is consistent with accepted accounting and business practices and statutory requirements.
- B. Seek competitive pricing and protection against conflict of interest. Architectural and engineering service contracts for capital improvement in the amount of \$50,000 or more will be subject to a competitive process.
- C. Ensure that purchases of materials, supplies, or public works projects that exceed statutory limits are through advertised bids approved by the Board.



# Chaffey Community College District

5885 Haven Avenue  
Rancho Cucamonga, CA 91737-3002

## Executive Expectations Policy Category 3 Chapter 6: Business/Fiscal Affairs

Budget Preparation

Date: 2/5/02 Section 6.2

Revised: 1/22/03 Page 3 of 4

### 6.2.7 Contracts [Education Code Sections 81641 et seq.; Public Contracts Code Sections 20650 et seq.]

- A. No member of the Governing Board, officer, or employee of the Chaffey Community College District may make or enter into any contract on behalf of the Chaffey Community College District unless specific authorization is given by the Governing Board.
- B. The superintendent/president shall settle debt, make tax and other government payments, allow required government reports to be filed so that they do not violate law, regulation or generally accepted business practices.
- C. Pursue debts owed to the college after a reasonable grace period.

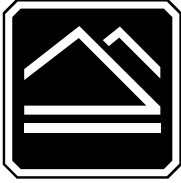
### 6.2.8 Audits [Education Code Section 84040(b)]

- A. The superintendent/president shall assure that an annual outside audit of all funds, books and accounts of the district in accordance with the regulations of Title 5 is completed.
- B. The superintendent shall recommend a certified public accountancy firm to the board with which to contract for the annual audit.

### 6.2.9 Accounting

The superintendent/president shall:

- A. Adhere to methods for budgeting and accounting that are contained in the Budget and Accounting Manual of the Board of Governors, and comply with relevant sections of the Education Code, Title 5, and applicable accounting principles recommended by the Board-appointed independent certified public accounting firm.
- B. Present to the Board at a regular Board meeting a list of all purchase orders and/or district warrants for Board review and ratification.



**Chaffey Community  
College District**

5885 Haven Avenue  
Rancho Cucamonga, CA 91737-3002

**Executive Expectations**  
**Policy Category 3**  
**Chapter 6: Business/Fiscal Affairs**

Budget Preparation

**Date:** 2/5/02

**Section** 6.2

**Revised:** 1/22/03

**Page** 4 **of** 4

6.2.10 Fiscal Management [Education Code Section 85266]

Fiscal Accountability

The superintendent/president shall assume duties and responsibilities for fiscal accountability status for B warrants that were formerly assigned to the county superintendent of schools/county auditor controller. Warrants are to be drawn on the county treasury and to be printed/disbursed by the college.