

# Coast Community College District ADMINISTRATIVE PROCEDURE

## Chapter 6 Business and Fiscal Affairs

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### AP 6300 Fiscal Management

#### References:

Education Code Section 84040(c);  
Title 5 Section 58311;  
ACCJC Accreditation Standards 3.4, 3.5, 3.6, 3.7

The District is committed to principles of sound fiscal management and to provide for responsible stewardship of available resources. The District adheres to generally accepted accounting standards as criteria for fiscal management regulations.

In order to ensure adherence to these principles and standards, the Vice Chancellor of Finance and Administrative Services will develop guidelines and practices which ensure that the District adheres to the following *Principles for Sound Fiscal Management* set forth in Title 5, Section 58311:

In any organization, certain principles, when present and followed, promote an environment for growth, productivity, self-actualization, and progress. The following principles shall serve as the foundation for sound fiscal management:

1. Each component of the District (Coastline College, Golden West College, Orange Coast College, District Office) shall be responsible for the ongoing fiscal stability of the district through the responsible stewardship of available resources.
2. Each component of the District will adequately safeguard and manage District assets to ensure the ongoing effective operations of the District. Management will maintain adequate cash reserves, implement and maintain effective internal controls, determine sources of revenues prior to making short-term and long-term commitments, and establish a plan for the repair and replacement of equipment and facilities.
3. District personnel practices will be consistent with legal requirements, make the most effective use of available human resources, and ensure that staffing costs do not exceed estimates of available financial resources.
4. Each component of the District will adopt policies and procedures to ensure that all auxiliary activities that have a fiscal impact on the District, including the District's foundations and other auxiliary organizations, comport with the educational objectives of

the institution and comply with sound accounting and budgeting principles, public disclosures, and annual independent audit requirements.

5. Each component of the District's organizational structure will incorporate a clear delineation of fiscal responsibilities and establish staff accountability.

6. Appropriate District administrators will keep the Board current on the fiscal condition of the district as an integral part of the policy-making and decision-making processes.

7. Each component of the District will effectively develop and communicate fiscal policies, objectives, procedures, and constraints to the Board, administrators, faculty, staff, and students.

8. Each component of the District will have an adequate management information system that provides timely, accurate, and reliable fiscal information to appropriate employees for planning, decision-making, and budgetary control.

9. Each component of the District will adhere to appropriate fiscal policies and procedures and have adequate controls to ensure that established fiscal objectives are met.

10. District management will have a process to evaluate significant changes in the fiscal environment and make necessary, timely, financial and educational adjustments.

11. District financial planning will include both short-term and long-term goals and objectives, and broad-based input, and will be coordinated with District educational planning.

12. Each component of the District's capital outlay budget will be consistent with its five-year plan and reflect regional planning and needs assessments.

District employees are encouraged to promptly notify management should they have any concerns about adherence to these principles.

Ratified December 2, 2013

Ratified June 18, 2024