



ARTICLE 6100: FINANCIAL MANAGEMENT

BP 6110 District Budget Development

The Board of Trustees is responsible for the control of all the funds of the District and accepts responsibility to direct the use of these funds through an annual budget process. The Superintendent/President shall annually present to the Board of Trustees a budget calendar, a tentative budget, and a final adopted budget. The budgets should indicate beginning balances, estimated revenues, anticipated expenditures and proposed ending balances and include a narrative summary for the next fiscal year in accordance with state law.

BP 6111 District Budget Administration

In accordance with state law, the Board of Trustees must approve all budget amendments that increase or decrease the total budget and all budget transfers between major classifications of expenditure. Quarterly financial statements shall be submitted to the Board of Trustees to track revenues and expenditures against budget. The District shall maintain a reserve for cash flow and contingency purposes at a level consistent with the State guidelines so that the unrestricted general fund ending balance is not less than five (5) percent of the District's unrestricted general fund expenditures.

BP 6112 Student Government Funds

The Board of Trustees in its supervisory role over the receipts and expenditures of the student government organizations shall direct the Superintendent/President or designee to assure proper handling of these funds in accordance with the California Education Code.

BP 6113 Revolving Cash

The Board of Trustees authorizes establishing a revolving cash fund of twenty five thousand dollars (\$25,000) to expedite the purchase of services and/or materials and to accommodate corrections for payroll. The Executive Vice President, Business and Administration or designee is responsible for the maintenance of these funds.

BP 6114 Audit

An annual audit of the accounts of the District shall be made by an independent certified public accountant approved by the Board of Trustees. The audit examination shall be in accordance with generally accepted auditing standards and shall include all funds over which the Board has direct or supervisory control. The Board of Trustees shall determine the need for rotating the certified public accountant to perform the audit examination.



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BP 6115 Investment Policy

All funds of the Santa Monica Community College District, which are not required for the immediate needs of the District, are invested in accordance with California Government Code Sections 53600 through 53609. The investments of the District shall be made in accordance with the following objectives:

The investment program must consider the safety of invested funds, minimize risk and regard the preservation of principle as of primary importance;

The investment program must provide liquidity and remain sufficiently flexible to meet cash flow requirements.

The Vice-President, Business & Administration, shall be responsible for the District's investment program, including having authority to invest funds and shall develop and maintain written administrative procedures and internal controls to ensure that all investments meet the stated objectives. All investment strategies will be approved by the Superintendent/President prior to actual investment of District funds.

Revised: 5/4/09

BP 6116 Debt Issuance

The Board of Trustees, prior to issuance, must authorize issuance of any of the following debt obligations of the District:

- General obligation bonds ("G.O. Bonds")
- Bond anticipation notes ("BANs")
- Lease-purchase agreements ("Leases")
- Certificates of participation ("COP")
- Tax and revenue anticipation notes ("TRANS")
- Other issuance that constitutes debt under the California constitution

Compliance with State and Federal Law. The District shall maintain strict compliance at all times with State and Federal law applicable to its debt instruments.

Post Closing. The District shall take such actions and maintain such records regarding the District's debt issues as may be required pursuant to the Tax Code and pertinent regulations, including, without limitation, information required to calculate arbitrage rebate due to the Department of the Treasury, and to insure compliance with the District's continuing disclosure obligations incurred pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

Revised: 4/7/2015

Reviewed and Adopted: 8/7/2000



BP 6117 Reporting Fraud, Waste or Abuse

Santa Monica College is committed to the responsible stewardship of its resources and supports an internal appraisal function that includes the investigation of alleged fraud, irregularities, abuse, illegal acts and suspected misconduct of college employees. Managers, faculty, staff, students or interested citizens are encouraged to report known or suspected dishonest acts by employees, outside contractors or vendors.

Dishonest acts, either known or suspected, such as those listed below, should be reported:

- Theft or misappropriation of funds, supplies, property, or other college resources
- Forgery or alteration of documents
- Unauthorized alteration or manipulation of computer files
- Improper and/or wasteful activity
- Falsification of reports to management or external agencies
- Pursuit of a benefit or advantage in violation of the college's conflicts of interests policy
- Authorization or receipt of compensation for hours not worked

To facilitate the reporting of waste, fraud or abuse the District shall maintain an anonymous system for reporting with multiple reporting methods such as, but not limited to, telephone, website and mail.

Employees reporting suspected wrongdoing are protected under Federal and State law from retaliation by management and other employees.

Allegations are reviewed to determine the probability that the alleged act(s) could have occurred. This review will be conducted under the direction of the Executive Vice President and/or the Vice President of Human Resources, or their designee, and will include identification of losses, prevention of additional losses, application of appropriate personnel procedures, recovery of assets, and assistance with criminal investigation or prosecution. All reviews and investigations shall be conducted confidentially.

Administrative Regulation 6116 includes specific provisions for regular reporting of fraud, waste and abuse to the Board of Trustees.

Approved: 2/2/09

BP 6120 Statement Costs for Board of Trustees Candidates

To encourage broad participation in District governance, the District will bear the costs of Board of Trustees candidate statements up to 200 words to be included in the voter's sample ballot pamphlet provided said candidate complies with the County of Los Angeles Registrar-Records/County Clerk requirement and procedures.