5 - BUSINESS and FINANCE

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501 **Budget Philosophy**

College budgets are intended to represent, in fiscal terms, the educational and support plans of the College to meet its goals and objectives. The budgets will include all funds the College expects to receive for the budget year plus any carry-forward funds which may be available from the prior year’s operations.

- Replaces policy 701 approved 9/89
- Reviewed by the Cabinet and Leadership Team November 2008
- Campus Review: February 1-22, 2009
- Adopted 2/23/09

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503 Budget Development
The President or his designee shall submit the annual operating budget to the Board of Trustees for review and approval, in accordance with statute, the Office of Financial Management, and the State Board for Community and Technical Colleges.

- Replaces policy 702 approved 9/89
- Reviewed by the Cabinet and Leadership Team November 2008
- Campus Review: February 1-22, 2009
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505 Budget Administration

The President is responsible for administration of the budget as approved by the Board. The President may delegate the administration of selected portions of the approved budget to the appropriate staff. The delegation of the budget shall be administered according to established procedures.

- Replaces policy 703 approved 9/89
- Reviewed by the Cabinet and Leadership Team November 2008
- Campus Review: February 1-22, 2009
- Adopted 2/23/09

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510 Business Practices
The College shall handle its financial affairs in accordance with the provisions of the most current policies, regulations, and procedures as outlined by the Office of Financial Management of Washington State, and the most current Community College Fiscal Affairs manual.

510.1 Insurance
The College is self-insured under the self-insurance provisions of RCW 4.92.060 – 4.92.170 for most operations. When specific insurance coverage for an event is needed, the College will obtain advice and approval from the State Risk Manager.

510.2 Purchasing
Lower Columbia College shall follow the established purchasing procedures as defined in the Washington Purchasing Manual.

510.3 Printing/Copywriting
Lower Columbia College will provide a printing resource for the College, considering the requests of faculty and staff to be of the foremost importance. Lower Columbia College will abide by all laws of the United States and of the State of Washington relative to duplicating copyrighted material.

510.4 Contract for Goods and Services
Authority to contract with commercial or the public sector for goods and services is delegated to the President or designee except for Board approval for architectural services for capital projects that exceed $25,000; and construction bids whose value is greater than $50,000.
510.5  Expenditures for Coffee and Light Refreshments

These expenditures will comply with the Office of Financial Management System Administrative and Accounting Manual (SAAM)

- Replaces policies 704.1-704.7 approved 8/89
- Reviewed by the Cabinet and Leadership Team November 2008
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Auxiliary Enterprises

The College believes the operation of auxiliary enterprises to be helpful in meeting the educational mission of the College. An auxiliary enterprise is an activity where the costs of providing goods and services to the general public or to the internal college community are recovered through user charges. All such activities shall conform to the provisions of the commercial activities statute, and will operate as proprietary funds under the guidelines set forth by the Office of Financial Management.

- Replaces policies 705 – 705.2 approved 8/89
- Reviewed by the Cabinet and Leadership Team November 2008
- Campus Review: February 1-22, 2009
- Adopted 2/23/09

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520 **Commercial Activities**

The primary mission of the Lower Columbia College is to serve the comprehensive educational and public service needs within its service district. In carrying out this mission, it is often necessary and appropriate to provide goods, services or facilities for fees in order to enhance, promote and support its educational training and public service functions. All such activities must be conducted pursuant to [RCW 28B.63](https://app.leg.wa.gov/wac/) and appropriate board policies.

- Replaces policy 705.3 approved 8/89
- Reviewed by the Cabinet and Leadership Team November 2008
- Campus Review: February 1-22, 2009
- Adopted 2/23/09

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Criteria for Sales to Students, Faculty, Staff and Invited Guests

The following criteria shall be considered in providing goods, services or facilities to students, faculty, staff, and invited guests:

1. The goods, services, or facilities are substantially and directly related to the District educational and public service mission.
2. The provision of goods, services, or facilities represents a special convenience to and supports the campus community or facilitates extracurricular and student life activities or facilitates public service activities.
3. Fees charged for the goods, services, or facilities shall take into account the full direct and indirect costs, including overhead.
4. Procedures are developed to insure that the goods, services, or facilities are provided only to students, faculty, staff, and invited guests.

- Replaces policies 705.32 – 705.33 approved 8/89
- Reviewed by the Cabinet and Leadership Team November 2008
- Campus Review: February 1-22, 2009
- Adopted 2/23/09

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524 Criteria for Sales to Persons other than Students, Faculty, Staff and Invited Guests

The following criteria shall be considered in providing goods, services, or facilities to persons other than students, faculty, staff, and invited guests.

1. The goods, services, or facilities represent a resource which is directly related to the District educational and public service mission, which is not practically available in the private marketplace and for which there is a demand from the external community.

2. Fees charged for goods, services, or facilities shall take into account the full direct and indirect costs including overhead and the price of such items in the private marketplace.

3. The district will comply with special business license requirements and collect sales and use taxes consistent with state laws.

- Replaces policies 705.32 – 705.33 approved 8/89
- Reviewed by the Cabinet and Leadership Team November 2008
- Campus Review: February 1-22, 2009
- Adopted February 23, 2009

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Bank Selection

Selection of the bank depository for College funds which may be withdrawn by the proper instrument signed on behalf of Lower Columbia College by an authorized officer shall be made on a competitive basis. The basis for selection will be cost and a bank’s ability to provide required services. Only banks meeting requirements as a public depository will be considered.

- Replaces policy 706.1 approved 8/89
- Reviewed by the Cabinet and Leadership Team November 2008
- Campus Review: February 1-22, 2009
- Approved 2/23/09

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Investments

Lower Columbia College shall invest funds in a manner which provides maximum security with the highest investment return, while meeting the daily cash flow demands of the College and conforming to all state laws governing the investment of public funds.

The Chief Financial Officer shall invest district funds and is responsible for the investment program. The Chief Financial Officer will take necessary actions to ensure the prudent investment of district funds. The Chief Financial Officer shall provide consistent periodic reporting to the President.

- Replaces policy 706.2 approved 8/89
- Reviewed by the Cabinet and Leadership Team November 2008
- Campus Review: February 1-22, 2009
- Approved 2/23/09

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535  Use of Debt
Lower Columbia College may incur debt in accordance with RCW 28B.50.140 (6) and RCW 39.94. The College’s debt shall be effectively managed to insure adequate resources are available to meet debt service requirements of short-term and long-term indebtedness. Lower Columbia College shall not incur debt or borrow money which will cause the aggregate debt contracted by Lower Columbia College to exceed that amount for which payments of principal and interest in any fiscal year would require the College to expend more than seven percent of the average general operating revenues for the three immediately preceding fiscal years.

- Campus Review: February 1-22, 2009
- Approved 2/23/09

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Travel

Lower Columbia College shall have an effective system for the management and control of travel related costs to ensure that travel related costs are directly related to College business; obtained at the most economical price; and critical and necessary for LCC business.

- Campus Review: February 1-22, 2009
- Approved 2/23/09

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