

3A1C Each of the Colleges' will establish unrestricted reserves for obligations and contingencies.

3A1D Budget Management - 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.

Revenues accruing to the District or Colleges in excess of amounts budgeted shall be added to the District or Colleges reserve for contingencies. They are available for appropriation only upon approval of the Board that sets forth the need according to major budget classifications in accordance with applicable law.

Board approval is required for changes between major expenditure classifications. Transfers from the reserve for contingencies to any expenditure classification must be approved by a two-thirds vote of the members of the Board. Transfers between expenditure classifications must be approved by a majority vote of the members of the Board.

These expenditures transfers will be presented to the Board for approval in February and July of each year.

### **3A2** Fiscal Management

The Chancellor or designee(s) shall establish procedures to assure that the District's fiscal management is in accordance with the principles contained in Title 5 Section 58311, including:

- Adequate internal controls exist.
- Fiscal objectives, procedures, and constraints are communicated to the Board and employees.
- Adjustments to the budget are made in a timely manner, when necessary.
- The management information system provides timely, accurate, and reliable fiscal information.
- Responsibility and accountability for fiscal management are clearly delineated.
- The books and records of the District shall be maintained pursuant to the California Community Colleges Budget and Accounting Manual.
- As required by law, the Board shall be presented with a quarterly report showing the financial and budgetary conditions of the District.
- As required by the Budget and Accounting Manual, expenditures shall be recognized in the accounting period in which the liability is incurred, and shall be limited to the amount budgeted for each major classification of accounts and to the total amount of the budget for each fund.

### 3A2A Income

- 3A2A1 All money received by the District, regardless of the source, will be deposited according to Education Code and County requirements. (Education Code Sections 41001-41002)
- 3A2A2 The Chief Financial Officer will establish a procedure for clearly identifying all sources of income. Such delineation with amounts received will be shown on the budget and all income financial reports.
- 3A2A3 All money received by and/or collected by any member College or its auxiliary organizations for any purpose whatsoever must be deposited with the College's Business Services Office.
- 3A2A4 All income received for activities and events will be deposited in the same funding sources as the expenses for such activities and events.
- 3A2A5 The administration is authorized to prepare and submit federal, state, local governmental and/or local private foundation grant applications that further the Kern Community College District's strategic mission. (See [Procedure 3A2E and Appendices 3A2E \(1 & 2\)](#) of this Manual for Grant Preparation and Submission Procedures and Guidelines)
- 3A2A6 Gifts – The Board shall consider all gifts, donations and bequests made to the District. The Board reserves the right to refuse to accept any gift which does not contribute toward the goals of the District, or the ownership of which would have the potential to deplete resources of the District.

The District shall assume no responsibility for appraising the value of gifts made to the District.

Acceptance of a gift shall not be considered endorsement by the District of a product enterprise or entity.

In no event shall the District accept a donation from any donor who engages in practices or policies which discriminate against any person on the basis of nationality, religion, age, gender, gender identity, gender expression, race or ethnicity, medical condition, genetic information, ancestry, sexual orientation, marital status, or physical or mental disability; or when the stated purposes of the donation are to facilitate such discrimination in providing educational opportunity.