



STATE BOARD OF COMMUNITY COLLEGES Public Comments

Proposed Adoption 1A SBCCC 200.4 – “Sound Fiscal and Management Practices” Comment Period Ending 29 May 2018

	Respondent	Page and Line #	Public Comment	System Office Response
1.	Sandhills CC Elizabeth Thomas AVP Finance/ CFO	Page 2, lines 1-5	Changing the word from resolved to identified leaves room for issues such as electronic payment problems that can be identified, but not resolved in 30 business days. In addition, most issues with bank charges will be not resolved in that period. Sixty days may be enough to get issues resolved, but having them identified and included in the reconciliation is more important than making certain they are resolved in an unattainable time period.	The System Office suggests the following language: “any discrepancies and a plan for resolution are identified within 30 business days.”
		Page 2, lines 14-15	Providing an employee vacancy report biannually seems an overreach. Listing administrative, maintenance, and other non-supervisory open positions biannually places an undue burden on the colleges.	The System office recommends no change.



1 **State Board of Community Colleges Code**
2 **TITLE 1 – COMMUNITY COLLEGES**

3
4 **CHAPTER A. STATE BOARD GOVERNANCE**

5
6 **SUBCHAPTER 200. STATE BOARD AUTHORITY**

7
8 **1A SBCCC 200.4 Sound Fiscal and Management Practices**

9 (a) Local boards of trustees shall adopt policies that assure a community college has
10 sound fiscal and management practices. Policies to assure sound fiscal and
11 management practices shall include at least the following:

12 (1) Expending funds prudently and consistently with the approved budget.

13 (2) Demonstrating stewardship of the institution's State financial resources by
14 effectively executing the institution's budget to ensure that the percentage of State
15 current operating funds remaining unexpended does not exceed five percent or
16 five times the systemwide percentage, whichever is higher.

17 (3) Ensuring that institutional fund accounts do not have a negative balance at the end
18 of the fiscal year unless such an instance exists for a planned reason, such as an
19 anticipated reimbursement. If any institutional fund account has a negative
20 balance at year-end, the negative cash balance fund balance after the posting of
21 all accrual entries shall be reviewed. In the event the negative balance is not due
22 to a planned reason, the college shall develop a plan to rectify the negative
23 balance, and the information shall be reported to the Board of Trustees at its first
24 scheduled meeting following year-end.

25 (4) Tracking expenditures consistent with the North Carolina Community College
26 System's Chart of Accounts, as outlined in the NC Community College System
27 Accounting Procedures Manual.

28 (5) Providing financial reports to the local boards of trustees at intervals determined
29 by the local board of trustees.

30 (6) Maintaining a system of internal controls as prescribed by G.S. 143D-7.

1 (7) Ensuring the college does not overdraw accounts by ensuring bank accounts are
2 reconciled and any discrepancies resolved and a plan for resolution are identified
3 within 30 business days from the end of the prior month. In the event a college fails
4 to comply with this requirement more than once during a fiscal year, such
5 information shall be reported to the Board of Trustees at its first scheduled meeting
6 following the month of non-compliance.

7 (8) Submitting complete and accurate financial statements to the North Carolina Office
8 of the State Controller by the prescribed deadline.

9 (9) Ensuring that audits are conducted consistent with G.S. 115D-20(9) and G.S.
10 115D-58.16.

11 (10) Addressing any findings identified in audits, compliance reviews, SACSCOC
12 reviews, or other monitoring reviews.

13 (11) Ensuring that the college is actively seeking to fill leadership and other
14 supervisory positions in a timely manner with individuals of high competence.

15 (12) Monitoring staff turnover by providing an employee vacancy report for information
16 to the local board of trustees at least biannually.

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18 *History Note: Authority G.S. 115D-5;*

19 *Eff. _____.*
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