

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.

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

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

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

25 (7) Ensuring the college does not overdraw accounts by:

26 (A) Reconciling bank accounts within an average of 30 business days from the end
27 of the prior month or less.

28 (B) Resolving discrepancies within an average of 30 days from the end of the prior
29 month or less.

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

1 (9) Ensuring that audits are conducted consistent with G.S. 115D-20(9) and G.S.
2 115D-58.16.

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

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

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

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10 *History Note: Authority G.S. _____;*

11 *Eff. _____.*

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