



COMMUNITY COLLEGE OF ALLEGHENY COUNTY

FISCAL ADMINISTRATION REGULATIONS

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PREFACE

The *Fiscal Administration Regulations* sets forth rules which govern the management of the College's funds, accounts and fiscal affairs. These regulations are developed and revised, as needed, by the Finance Office and approved by the President. Rules and procedures governing other programs, operations and activities are also set forth in the following resources:

- Board Policy Manual
- Employee Manual
- Public Safety and Security Operational Plan
- Drug and Alcohol Testing Procedures
- Student Travel and Vehicle Usage Procedures
- International Travel Procedures
- Inventory Procedures Manual
- Fixed Assets Policy
- Credit Card Program Regulation
- *CCAC Annual Security Report*
- Student Handbook
- Faculty Handbook
- College Course Catalog
- Individual program handbooks and course syllabi
- College website / Department web pages / *myCCAC* student portal

These regulations will be reviewed on an annual basis. On or before July 1st of each year, the Chief Financial Officer for the College will verify to the President of the College that the review has been completed and, if any updates or changes are recommended, submit the updated regulation or handbook to the President for review and approval.

These regulations do not represent a contract between the Community College of Allegheny County and any employee, student or third-party.

SECTION 1: ACCOUNTING STANDARDS AND CONTROLS

1.1 Basis of Accounting

The fiscal records of the College shall be maintained in accordance with requirements established by the Governmental Accounting Standards Board (GASB) and guidelines published by the American Institute of Certified Public Accountants (AICPA) and the National Association of College and University Business Officers (NACUBO). The College is also subject to the provisions of the Commonwealth of Pennsylvania's Community College Act of 1963, amended 1993. Subsequent to the 1993 amendments, the PA Dept. of Education issued its "Policies on Issues Arising from Audits of Pennsylvania's Community Colleges." The provisions of this document are applicable beginning with the 1998-99 fiscal year.

1.2 Fiscal Control

There shall be performed an annual audit of the GAAP financial statements of the College by a certified public accounting firm to determine for the Board whether those statements, given the underlying system of internal controls, fairly present the financial condition of the College. The President shall be responsible for determining the appropriate processes and systems to achieve the intent of this policy.

1.3 Chart of Accounts

The College Controller will develop and maintain a comprehensive chart of accounts for the College, consistent with the requirements of generally accepted accounting procedures for institutions of higher education in the public sector. To the extent possible, the chart of accounts will be made consistent with the system recommended by the National Association of College and University Business Officers.

1.4 Recording of Revenue

Revenue will be recorded when earned. Tuition revenue is assumed to be earned for this purpose at the time of registration. Ultimately, however, tuition revenue is not earned until the first class meeting has been held. Registered students may drop classes prior to the start of classes without financial penalty, provided the drop is made according to College procedures.

1.5 Recording of Expenses

Expenses will be recorded when invoiced. Incurred expenses as of the end of the fiscal year will be accrued via the closing process if no invoice has been received

SECTION 2: RECEIPT AND RECORDING OF REVENUES

2.1 Receipts

College revenues shall be received by the Bursar Department in the Office of the Vice President of Finance or the Campus Student Account Offices and subsequently deposited in the appropriate bank account by the end of each day. The Vice President of Finance shall approve in writing the types of payments and funds that may be received by the Bursar and Campus Student Account Offices and any additional points of collection for College revenues at the campuses other than the Campus Student Account Offices. College revenues received by other employees shall be transmitted to the Campus Student Account Offices or to the Bursar Department in the Office of the Vice President of Finance before the end of each day. Furthermore, cash receipts will be accepted only at the following locations: the four Campus Student Account Offices, the Office of College Services Bursar's Office, and the West Hills Center. Center locations shall have a kiosk available for students to make e-check and credit card payments via the Online Student Account Center.

2.2 Depository Bank Account

Depository bank accounts have been established for the purpose of receiving payments made at campus locations. All payments received at any location are to be deposited timely to the appropriate bank account.

2.3 Cash Receipt Session Documentation Retention

Cashiers in the Student Account Offices are responsible for reconciling their daily cash session at the end of each shift. Upon completing the reconciliation, the cash receipt session packet is to be scanned into the Perceptive Content document imaging system. Campus Student Account Offices are required to maintain paper copies of each cashier's daily receipt session and the original physical checks that have been deposited via remote deposit for a period of 30 calendar days. These documents are to be maintained in a secure vault, locked file cabinet, or other securely locked storage area. Documents should be shredded on a regular basis. Under no circumstances should these documents be maintained longer than 60 days.

2.4 Returned Payments

Payments returned from the bank will have a \$25.00 returned payment fee, per item, assessed to their account. This charge cannot be waived except in the case where there was a bank error. A letter from the bank indicating the bank's error is required.

2.5 Tuition Payment Plan

Students who cannot pay their tuition and fees in full on or prior to the published tuition due date may enroll in a Tuition Payment Plan. The plan requires that the student sign a Payment Plan Agreement. Students can enroll in the plan through the Online Student Account Center or at any campus Student Accounts location.

2.6 Third Party Payer / Contracts

A third party (for example, employer) can guarantee payment through a prior contract arrangement with the college. A copy of this contract should be presented to the Campus Student Accounts Offices/OCS Bursar's Office at the time of registration or payment. Should the third party not make payment, for any reason, the student becomes fully responsible for all expenses incurred.

2.7 Overdue Accounts

Students, who owe the College money and have failed to respond to collection efforts by the College are transferred to an internal collection process through a partnership with a third party vendor. Accounts not paid in full or enrolled in an approved payment arrangement at the end of the internal collections process are turned over to an external collection agency and assessed a collection fee. Accounts of \$250 or less shall not be turned over to external collection and shall be written off to an inactive status following the internal collection process. A financial hold will remain on these accounts until the balance is resolved.

SECTION 3: DISBURSEMENT OF COLLEGE FUNDS

3.1 Disbursements

College disbursements shall be made through checking accounts approved by the Board of Trustees. Incidental disbursements may be made through duly authorized petty cash accounts.

3.2 Preparation of Checks

Payment of CCAC obligations is accomplished through the issuance of a CCAC check or wire payment as approved by the Vice President of Finance. There shall be no authorization given to any vendor to take payment directly from a CCAC checking account without the express written consent of the Controller and a written contractual agreement with the vendor. Checks shall be prepared by the Accounts Payable Department only after all required approvals are entered and all necessary support documentation is received.

3.3 Check Signing

Generally speaking, all checks issued by the College shall be signed by the Vice President of Finance, either by machine facsimile or by hand. The President of the College may also elect to become a signer via machine facsimile. However, any authorized signer may manually sign any check under \$100,000 on an as-needed basis.

3.3.1 Under \$100,000

Any check under \$100,000 shall require the signature of one of the following authorized signers:

- President of the College
- Provost/Executive Vice President for Academic & Student Affairs
- Vice President of Finance
- Controller

3.3.2 \$100,000 and Up

Any check in an amount equal to or exceeding \$100,000 shall require the manual signature of any two of the above authorized signers.

3.4 Petty Cash Funds

Petty cash accounts may be created and their amounts altered only upon approval of the Controller, with concurrence of the Internal Auditor, who will monitor the funds to see that the general ledger balances are maintained and the cash secured. Expenditures for any one purchase may exceed \$35 only for gasoline and diesel oil if a College gas charge card is not available. No petty cash account may exceed \$800, and disbursements for payroll, travel, and capital expenditures are prohibited. Each such account created shall be under the jurisdiction of and be the responsibility of the location's Campus Dean of Administration (for the Office of College Services, the Director of Accounting).

SECTION 4: TUITION RATES AND REFUNDS

4.1 Tuition

The regular tuition rate for Allegheny County residents is set from time to time by the Board of Trustees. All other tuition rates will be a specified function of the regular tuition rate. The regular tuition rate and all other rates will be published in the course schedules.

4.2 In-county Employer Sponsors

If a student's tuition is paid by an Allegheny County employer, the tuition rate will be the in-county rate regardless of the student's domicile.

4.3 In-County Associational Sponsors

If a student's tuition is paid by an association based in Allegheny County, the tuition rate will be the in-county rate regardless of the student's domicile.

4.4 Tuition for Veterans of the U.S. Armed Forces and Their Dependents

Effective July 1, 2015, veterans and other students who qualify as "covered individuals" under the Veterans Access, Choice and Accountability Act of 2014, 38 U.S.C. §3679 ("VACA"), will be eligible to receive the in-state, out-of-county tuition rate and fees established by the Board without regard to the student's state of legal residence. Veteran students will be required to provide a DD214 to prove veteran status. Dependents of veteran students will be required to provide the veteran sponsor's DD214 along with proof of dependent status, which may include copy of a current marriage certificate, birth certificate, federal income tax return or other documentation as reasonably required by the College. Veterans, their spouses and dependent children and other individuals who meet the eligibility requirements set forth in 24 P.S. §2509(a.4) shall further be eligible to receive the tuition rate applicable to residents of Allegheny County even if they do not reside in Pennsylvania or Allegheny County.

The tuition rate applicable to residents of Allegheny County shall also be available to military personnel, their spouses and dependent children who are assigned to an active duty station in Pennsylvania and who reside in Pennsylvania on the first day of the semester or term in which the student is enrolled.

The tuition rate applicable to residents of Allegheny County shall also be available to civilian personnel, their spouses and dependent children employed at a Department of Defense facility who are transferred to Pennsylvania by the Department of Defense and who reside in Pennsylvania on the first day of the semester or term in which the student is enrolled.

Veterans and dependents using either Post 9/11 GI Bill® (Chapter 33) or Vocational Rehabilitation (Chapter 31) educational benefits are entitled to a waiver of paying any tuition or fees upfront that will be paid by Department of Veterans Affairs. In cases when students are not 100 percent covered, any balance must be paid (or payment plan enrollment completed) by the semester tuition payment deadline to avoid late fees.

To qualify for the waiver, students using Post 9/11 GI Bill® (Chapter 33) must present the following documents before the payment deadline:

- Certificate of Eligibility Letter or Statement of Benefits (obtained through VA e-Benefits website)
- Completion of the CCAC Veterans Enrollment Certification Request Form

To qualify for the waiver, students using Vocational Rehabilitation (Chapter 31) must present the following documents before the payment deadline:

- VA Form 28-1905: Authorization and Certification of Entrance or Reentrance into Rehabilitation and Certification of Status (Obtained through VA Vocational Rehabilitation Counselor)
- Completion of the CCAC Veterans Enrollment Certification Request Form

All students using Post 9/11 GI Bill® (Chapter 33) or Vocational Rehabilitation (Chapter 31) educational benefits are responsible for any portion of tuition or fees not covered or paid by the Department of Veterans Affairs. Payment of any uncovered portion of tuition and fees must be in accordance with regular college payment procedures.

4.5 Refunds - Credit Courses

4.5.1 Prior to Start of Classes

Students withdrawing from part of or an entire program prior to the first day of class in the term which they have been registered shall be entitled to a drop of all tuition and applicable fees, or for the difference in tuition and applicable fees if the student has registered for another program which is lower in cost.

4.5.2 During Drop/Add

Students completing a voluntary drop from the first day of the term to the 14% point of the term per the academic calendar for which they have registered shall be entitled to a drop of 80 percent of tuition and 100 percent of applicable fees. Students who drop a course within the published drop period and add a class of equal credits at the same time will not forfeit any tuition.

4.5.3 After Drop/Add

Students withdrawing after 14% of the term per the academic calendar shall be liable for the full amount of tuition and applicable fees.

4.5.4 Non-refundable Fees

Accident and malpractice insurance fees and distance learning fees are non-

refundable after the first day of class. Matriculation fee is non-refundable at the time of registration.

4.6 Refunds - Non-Credit Courses

Students withdrawing on or before the first class meeting shall be entitled to a drop of tuition and fees paid.

4.7 Deceased Students

In the event of the death of a student enrolled in a course at the time of death, the College will issue a refund for any credit balances remaining on the student's account after any required registration and financial aid adjustments. Any such refunds will be issued payable to the "Estate of ..." the student. In the event a refund cannot be issued to the "Estate of..." the student, and the refund amount is less than \$10,000, the College may issue the refund to a spouse, any child, the father or mother, or any sister or brother (preference being given in the order named) provided a completed W9 form is received from the payee. If the student had an outstanding balance due to the college at the time of death, the outstanding balance net of charges and financial aid will be written off.

4.8 Residency Status

Residency (domicile) requirements have been established by the college for the purpose of assessing tuition and related fees.

Domicile will mean a person's true, fixed and permanent home, to which a person intends to return. A residence established for the purpose of attending an educational institution or qualifying for resident status for tuition purposes will not of itself constitute domicile. The residency of a dependent student (as defined by the IRS) is determined by the parent's domicile.

All documentation supporting residency status must be received prior to the first day of the term.

Residency status cannot be changed after the first class session or for previously completed semesters except in the clear case of college error.

SECTION 5: AUTHORIZED SIGNATURES FOR APPROVALS

5.1 Approvals

The Director of Accounting maintains the approval system, as it is associated with each account.

Changes must be submitted in writing and accomplished through him/her. Each request for disbursement of funds (i.e., initiation of a voucher or purchase order) requires the approval of at least two persons, one of who must be a primary approver. Approvals must be submitted electronically, via the College accounting software system. The list of approvers can be found on the CCAC Accounts Payable website at:

<https://my.ccac.edu/workingatccac/finance/accountsPayable/Documents/Approvals%20for%20Vouchers,%20Requisitions%20and%20Purchase%20Orders%2003.19.21.pdf>

5.1.1 Primary Approvers

Primary Approvers will consist of the following persons:

- Campus Deans of Administration
- Designee of Dean of Administration (as approved by Director of Accounting)
- Director of Purchasing
- Budget Analyst
- Director of Accounting/Accounts Payable Supervisor

5.1.2 Secondary Approvers

The secondary approver may only be a person who has been given authority by a primary approver to approve a set range of department number expenditures.

5.1.3 Third Approvers

The Campus Deans of Administration and the Director of Purchasing (for the Office of College Services) shall be responsible for adding a third named approver to the purchase requisition or voucher for certain ranges of account numbers involving restricted funds, foundation funds, advertising expenditures, equipment purchases, renovations, legal fees, veterans scholarships, publishing/printing, and computer and computer-related purchases.

5.2 On-line Purchasing

The Director of Purchasing or designee must assign a user ID to Employees utilizing the on-line supplies purchasing service contracted by the College. A separate user ID must be established for each general ledger account number charged.

SECTION 6: BUSINESS TRAVEL / EXPENSE REPORTS & REIMBURSEMENT

6.1 General

The College will reimburse employees for reasonable and necessary expenses that are

incurred in connection with the transaction of College business. Reimbursement of expenses will be made subject to and in compliance with applicable law and regulations issued by the Internal Revenue Service (IRS). An incurred cost or expense which does not meet IRS guidelines to qualify as a deductible business expense will not be eligible for reimbursement, even if the travel was approved in accordance with these regulations.

Transportation costs, lodging, meals and other travel-related expenses incurred by or on behalf of spouses, family members, guests or other non-College personnel are not eligible for reimbursement. If an employee elects to include spouses, family members or guests in travel plans, the employee will pay the travel service directly for these transportation charges. In addition, if an employee engages in activities during travel that are both personal and business-related, only the portion of the expenses directly related to the business activity will be reimbursed.

Employees must submit a Trip Request to the College prior to out of town travel on College business. Only exempt administrative or full-time faculty employees should be requesting out of town travel approval. The employee must obtain authorization from the responsible Vice President or Provost. The President's signature shall be required for all direct reports of the President.

All employees must submit Expense Reports for expenses that they incur. Employees shall not include expense reimbursement requests for other college employees on their submittal.

6.2 Documentation

Except as provided for in Section 6.5 Meal Allowances, employees must provide receipts for all itemized expenses. In the event receipts are not available for items under \$25, a written justification is required. All expenses over \$25 must be documented according to IRS guidelines; receipts must show the vendor, amount, date, place and essential character of the expenditure. No reimbursement will be made for any items that exceed \$25 and are not properly documented. Receipts should be original, legible, typed and in English.

Vendor invoices submitted for reimbursement on Expense Reports will not be reimbursed unless the invoice reflects the employee as the party being billed. Invoices that are addressed to the college or another party will not be reimbursed to the employee. Vendors should be unrelated third parties, not affiliated with the employee.

6.3 Trip Requests, Expense Reports and Reimbursement of Expenses

Every expense report carries a certification by the employee that the employee has not been, nor will be, reimbursed by any other source for the travel expenses claimed from the College. Employees must account to the College using the approved system in order

to be reimbursed for expenses. All trip requests and expense reports must be approved by the appropriate supervisor, either the Provost or the appropriate divisional Vice President. Trip requests should be received well before the anticipated travel date and should include a detailed description of the purpose of the trip and itinerary. Trip requests that include a request for an advance to the employee must be received in good form by Accounts Payable at least seven business days prior to the event. The supervisory Provost or divisional Vice President performs the following duties:

- Verify that all travel is in accordance with College policies and regulations.
- Verify that all expenses related to the trip have been included.
- Verify that sufficient budgetary funds are available in the department being charged.
- Check for Traveler's signature and, if missing, return it to Traveler.
- Check to ensure that Trip Requests include a detailed description of the purpose of the trip, the trip itinerary, and conference syllabus and agenda.
- Check to see that payment is attached as required. Contact Traveler on any issues with payment and resolve.
- Review accuracy of calculations, mileage rate, and account number assignment.
- Assure that all required receipts and support documentation are attached.
- Detach payment and submit to Accounts Receivable.
- Attach copy of CRV and reimbursement check to report.
- Attach any pre-approvals for purchases outside of established purchasing procedures.

Signatures (including electronic signatures) and initials of submitters, reviewers, and approvers on Trip Requests and Expense Reports signify the approval and verification of the accuracy and legitimacy of the documents. Documents that contain deficiencies as determined by the Accounts Payable Department may be returned to the Provost or the appropriate divisional Vice President for correction.

Expense Reports for reimbursement of expenses must be timely submitted after the completion of the trip or, for non-travel related expenses, after the expense was incurred. **The College reserves the right to deny reimbursement of expenses submitted more than thirty (30) days after the completion of the trip or after the expense was incurred for non-travel related expenditures.**

6.4 Advances

Travel advances must be requested at the time that the appropriate Trip Request form is submitted. Advances may be approved for all estimated travel expenses except meals. Reimbursement for travel expenses related to meals must be requested when submitting the Expense Report at the conclusion of the trip.

Unreconciled travel advances that are outstanding for more than 60 days after the trip end date will be deducted from the employee's CCAC paycheck as authorized by the employee on the Trip Request form.

Advances for travel expenses that are eligible for reimbursement under the AFT collective bargaining agreement will be made consistent with that agreement and must be submitted on the AFT Common Fund Trip Request form. The amount of the advance may not exceed the amount of the employee's personal travel allowance plus the amount of any travel allowance voucher(s) allocated to that employee by one or more other AFT employees, in the manner permitted under the collective bargaining agreement then in effect. Transfer of travel vouchers between employees must be documented utilizing the established travel voucher transfer form, and all vouchers must be submitted with the AFT Common Fund Trip Request form.

Material and Fee advance requests must be made via submission of a Voucher Worksheet form. Material and Fee advances that are outstanding for more than 120 days will be deducted from the employee's CCAC paycheck as authorized by the employee on the Voucher Worksheet form.

Advances cannot be carried over from one fiscal year to the next fiscal year. Employees must close out and reconcile all advances received at the end of each fiscal year unless the travel will occur in the next fiscal year.

6.5 Meal Allowances

Meal allowances are not intended to provide 100% reimbursement for all food costs while traveling, but rather are intended to provide some supplement for restaurant dining. Employees are entitled a per diem of \$40 per day for meals (including tips), provided that the employee is traveling out of county and an overnight stay is involved.

Employees attending conferences that provide meals that are included in the cost of the conference are not eligible to receive the full \$40 per diem rate. Employees attending conferences that provide lunch and/or dinner will be entitled to receive a \$20 per diem for that day.

Travel days are the days that the employee is traveling to or from the out of town event. The per diem rate for travel days is \$20 per travel day.

When all-day out-of-county travel not requiring an overnight stay prevents an employee from returning home by 7:00 p.m., the employee will be entitled to receive a \$40 per diem for that day.

Receipts for meals are not required for per diem reimbursement requests.

College employees may pay for the meals of a guest or other college employee only under exceptional circumstances involving College business. A written justification including a statement of business purpose of the occasion must be submitted for approval in advance. The College will reimburse an employee for the cost of a meal, which is provided as an integral part of a scheduled function being attended, by the employee. Detailed receipts must be submitted for these pre-approved meal exceptions. Mealtime meetings at restaurants, involving only College employees, are not to be considered College business-related functions, and are not therefore reimbursable unless the expense was pre-approved and necessary to expedite College business.

6.6 Lodging

Lodging for approved overnight stays for College employees at an out-of-county location is fully reimbursable. The employee will be responsible for any portion of the lodging attributable to spouses, family members or guests, if extra charges are incurred beyond single occupancy rates. In order to be reimbursed, an employee must obtain an itemized bill from the hotel or motel and attach it to the submitted expense report. At a minimum, the receipt should include the name and address of the hotel or motel, the specific date or dates that the employee stayed there, and a separate itemized statement of charges. Items such as room upgrades, long-distance phone calls, meals or room service, movies, and other amenities are not eligible for reimbursement. In general, reimbursable lodging charges are limited to the base room charge plus taxes and fees, essential local phone calls/internet connectivity fees, and daily parking. Any non-refundable deposits on lodging not used can only be applied to future CCAC business-related lodging expenses.

6.7 Air Transportation

For air travel, coach, tourist or its equivalent shall be used. Priority or upgraded seating charges will not be reimbursed. First class air travel is not allowed. Special airfares are to be used when available. If the airline charges for baggage, CCAC will reimburse the employee for the baggage fee of one bag only. Advance planning through the College or campus designated travel agent will help to identify special fares available. Employees must purchase trip cancellation insurance when it is offered by the airline for the flight being booked, and will be reimbursed for this purchase. If the employee for whatever reason does not subsequently travel on the flight for which the ticket was purchased, and the ticket is non-refundable, the ticket can only be used for a subsequent CCAC business-related trip.

6.8 Rental Vehicles

Rental cars may be used when the use of a rental car can be economically justified.

6.9 Ground Transportation

Employees should use the most economical ground transportation available when traveling to a destination reached by air and for transportation to and from their home to the airport

6.10 Personal Auto or Rental Car

The use of personal and rental vehicles will be administered in accordance with the Vehicle Usage Procedures contained in the Student Travel and Vehicle Usage Procedures manuals. Use of a personal car for College business will be reimbursed at the CCAC mileage reimbursement rate. This rate is adjusted whenever the IRS mileage rate changes. Should an employee elect to use a personal car for transportation to a destination where commercial air transportation is available, reimbursement will be made at the current rate in effect, with the total (including meals and lodging in route) not to exceed the equivalent cost of commercial air coach or tourist fare. Mileage reimbursement for the use of a personal auto to attend meal events offered at no cost to the employee, as well as to attend events for which the College has provided or made available alternate means of transportation, is permitted.

6.11 Rental Car Corporate Rental Program

The College participates in a corporate rental program with one or more automobile rental companies. This program has been established to provide employees with a cost-effective vehicle rental for CCAC business travel outside the local area. The program promotes the use of rental vehicles for CCAC travelers in excess of 250 miles round trip.

6.12 Parking and Tolls

Parking and toll charges in connection with permissible business use of a personal car are allowable travel expenses.

6.13 Local Travel and Expense

When business requires an employee to travel to an alternate CCAC campus, other than their normal campus for the day, the employee will not receive any mileage reimbursement. If business requires an employee to travel to multiple CCAC locations in the same day, the employee will be reimbursed for the difference between the total mileage driven that day and the employee's normal round trip commute mileage.

When business requires an employee to go directly from home to a non-CCAC location other than the employee's regular office, the employee is reimbursed for the difference between the employee's normal round trip commute mileage and the round trip mileage

actually incurred from home to that location if the latter is greater. This requires that the mileage between home and office be established for each employee.

The College will reimburse an employee for the cost of a meal, which is provided as an integral part of a scheduled function being attended, by the employee. Detailed receipts are required for this meal reimbursement.

6.14 Precedence of Grant Terms

Reimbursement of expenses to be charged to grants or contracts must be in full compliance with the specific terms of the grants or contracts as well as the College's fiscal policies and procedures. In those instances where there is a conflict between College and Grant policies, the most restrictive prevails.

6.15 Mobile Phones

The Vice President of Finance must approve all requests for employees to be added to the existing monthly cell phone allowance list. College authorized cell phone allowance is limited to college full-time exempt administrative employees identified as meeting the following criteria as attested by their supervisor: (1) essential to performing the work of the college; (2) employee requires around the clock availability for emergency and facility, or other critical college business concerns. Employees must acknowledge acceptance of the allowance with the knowledge that their entire cell phone activity is subject to the Pennsylvania Right to Know law. The college will provide a \$60 monthly allowance for mobile phone expenses associated with a full-time exempt administrative college employee using their personal mobile phone to conduct college business.

6.16 Entertainment Expense

Reasonable expenses for ordinary and necessary entertainment in the conduct of College business will be reimbursed at actual cost to Executive officers of the College, subject to approval of the President.

6.17 Credit Card Program

The College will maintain a credit card program that is designed for regular, full time employees of the College who need to have a credit card due to the nature of their job requirements. The Credit Card Program will be administered in accordance with the terms of the Credit Card Program Regulation. The use of the credit card is for College business only.

It should be understood that, while the card is being issued on the credit of the College, the employee's name will appear on the card, and the invoice for all charges made on the card will be sent to the employee's home address. It will be the responsibility of the employee to pay the invoice in full in a timely manner each month.

Failure to pay the full amount due each month by the due date may result in card suspension, at the discretion of the College. Credit cards with past-due balances of 90 days or more will be cancelled. Any credit card balance on a discontinued card (due to failure to pay the credit card bill or unauthorized charges to the card) will be recovered via employee payroll deduction. Payment of the balance due each month should be made regardless of whether the employee has received any requested advance or expense reimbursement from the College.

The Provost or the appropriate divisional Vice President will identify those full-time exempt employees who should be issued CCAC backed credit cards. Each card will have a credit limit of \$5,000 or less, depending on the recommendation of the Provost or the appropriate divisional Vice President. Employees with credit cards are prohibited from permitting other employees to make charges against their credit card.

Use of the card is a privilege, not a right, of any employee or position, and can be revoked by the College at any time. Employees are responsible for all fees charged to the card, such as cash withdrawal transaction fees, interest charges, late fees, etc. Such fees are NOT reimbursable by the College.

Anyone found to be misusing the card will be subject to immediate credit card privileges removal, and disciplinary action as appropriate, including possible termination and criminal prosecution.

Employees will be required to follow College travel, purchasing policies, and regulations in order to receive reimbursement for business related purchases, including those made with the credit card.

SECTION 7: MOVABLE EQUIPMENT INVENTORY

7.1 Objective

The College recognizes that it is desirable to maintain a complete and accurate accounting of all movable equipment. The College further recognizes that it cannot commit the resources necessary to maintain a complete, up-to-date, and accurate record of the whereabouts of all such equipment. In an effort to balance the prohibitive cost of a totally accurate inventory with the potential benefits, the College has developed procedures that are designed to assure substantially correct results. The purpose of the inventory procedures is to assist in identifying losses should they occur and in obtaining insurance reimbursement. The purpose is also to comply with the provisions of certain grants, which provided equipment to the College. Not included in the scope of this policy are security procedures, which are designed primarily to minimize the loss or destruction of College equipment. Losses of equipment are controlled primarily by providing security and protection.

7.2 Information Maintained

All movable equipment that meets the definition outlined in the Inventory Procedures Manual and that resides in a College owned or leased facility must be affixed with a proper CCAC identifying tag that includes a bar code. All current purchases of equipment must be properly tagged before placement in service and all required information entered into the inventory computer system. All tagged equipment removed from service for scrapping, sale, or trade-in must be reported to the party who maintains the inventory who will adjust the inventory records accordingly. It is recommended that all locations containing inventory should have a physical count at least once every three years. A sample audit of all locations should be performed on a regular, recurring basis. The physical count must be reconciled to the book inventory. A computerized inventory system must be maintained for all tagged items and include information prescribed in the Fixed Asset Policy and the building designation where the item is located.

7.3 What Equipment is Inventoried

Only items of movable equipment that fall within the guidelines below are to be inventoried.

7.3.1 Capital Items:

Movable furniture or equipment is considered capital when it has all the following characteristics:

- An item acquisition value (cost per item) of \$4,000 or greater.
- An expected useful life in excess of one year.

7.3.2 Grants

Each grant will set the acquisition value limits for capital. All assets designated as equipment and/or furniture by the grant-funding agency is capital regardless of cost per unit.

7.3.3 Group Purchases

The Purchasing Department will review significantly large purchases with item values under \$4,000 to determine if circumstances warrant capitalization. For example, the complete replacement of all furniture in a room may be capital.

7.3.4 Amount Capitalized

The amount capitalized (included in inventory file) is the complete purchase price of the item plus freight and set up costs (if any) incurred from an outside vendor.

7.4 Department Responsibilities

7.4.1 Controller

Assure that the dollar effect of purchases and retirements affecting the inventory are posted to the general ledger control accounts. Maintain agreement between the general ledger accounts and the inventory. Arrange for periodic physical inventory testing. Maintain the computerized inventory system in a current status. Reconcile physical counts with inventory counts maintained on computer system. Items not found are to be written off after a reasonable investigation.

7.4.2 Deans of Administration

Assure that all purchases of movable equipment are coded to the proper general ledger account. Report all sold, scrapped or transferred items to the Controller's department. Coordinate the clearance and accompaniment where necessary for counting crews.

7.4.3 Campus Receivers

Properly tag all purchased items including grant purchases and enter required

information into the Colleague Fixed Asset Module in a timely fashion.

7.4.4 Facilities and Security

Assure that proper security and protection exists for all College equipment.

7.4.5 Audit

The Internal Auditor will observe the taking of physical inventories each year. The Auditor should help select the locations to be counted. Random sampling techniques should be used at each location with the intent of determining an exception percentage for items appearing in the inventory listing that are not found in the facilities. Untagged items found should be compared against the number of tagged items in the facility examined in order to determine the percent of error for untagged items. A formal report should be issued and corrections made.

7.5 Donations

An item is donated when it is given to the College without any expectation of reimbursement. Prior to the acceptance of an item(s), the Provost or the appropriate divisional Vice President should review the donation for its feasibility for College use and the costs associated with acquisition and for modifications, if any, to the facilities required by the item. The value of the item(s) is considered to be its fair market value at the date of acquisition. If the items(s) are of significant value, a professional appraisal may be in order.

7.6 Physical Inventories

Campus and Office of College Services department personnel in conjunction with the Senior Staff Accountant in the Controller's Office and/or Internal Auditor will conduct physical inventories. The recommended schedules and detailed procedures can be found in the "Fixed Asset Policy" manual. The purpose of the physical inventories is to determine whether fixed assets carried on the books do in fact exist, where they are located, and whether all existing assets are recorded. After the physical inventories the inventory files must be updated and the general ledger accounts brought into balance with the inventory files.

7.7 Removal from Inventory

An item is retired when the College no longer has possession. Retirements may occur through the trade-in, theft/loss or surplus sale of an asset. All removals from inventory

must be recorded using the procedures outlined in the "Fixed Asset Policy" manual.

7.8 Surplus Sales

Surplus equipment is any inventory item considered obsolete or unusable by instructional, administrative or physical plant departments. Prior to any item being listed for surplus sale, a review of such items shall be made by the Senior Staff Accountant in the Controller's Office, Internal Audit Department and Campus administration to determine if there is any value or use for these items. The Campus shall dispose of all items that have been determined to have no further value to the College (broken, unrepairable, etc.). This will insure that only items of value will be sent to the central warehouse for either sale or donation. The detailed procedures for conducting a surplus sale are contained in the "Fixed Asset Policy" manual.

SECTION 8: PURCHASE OF GOODS AND SERVICES

8.1 Purpose

The purpose of this regulation is to insure that the College receives fair value in the purchase of all goods and services that it acquires and that fair and open competition is allowed for the provision of those goods and services where practical. When determined to be cost effective, the College may utilize cooperative purchasing agreements for the purchase of goods and services, subject to the approval of the Vice President of Finance.

8.2 Scope

Except to the extent otherwise expressly exempted or excluded below, this regulation applies to the procurement of all goods and/or services by the College, whether for operating supplies and services, capital equipment or acquisition or construction of real property.

8.3 Established Procurement Thresholds

In order to provide for appropriate competition, the College shall utilize a three-tiered system as follows:

8.3.1 For Construction and Repairs (in accordance with Article 35.51 of PA the PA Code) –

- (a) Contracts less than \$5,000 may be awarded without soliciting competitive quotes or bids.
- (b) Contracts exceeding \$5,000 but less than \$20,000 require competitive quotes

from at least three responsible bidders and shall be awarded to the lowest responsible bidder.

- (c) Contracts in excess of \$20,000 require the solicitation of sealed competitive bids and shall be awarded to the lowest responsible bidder.

8.3.2 For All Other Purchases (excluding professional services) –

- (a) Contracts less than \$10,000 may be awarded without soliciting competitive bids.
- (b) Contracts exceeding \$10,000 but less than \$30,000 require competitive quotes from at least three responsible bidders and shall be awarded to the lowest responsible bidder.
- (c) Contracts in excess of \$30,000 require the solicitation of sealed competitive bids and shall be awarded to the lowest responsible bidder.

8.3.3 Professional Services

Purchases of legal, financial, architectural, engineering and similar professional services are exempt from the bidding requirements set forth herein.

8.4 Invitation to Bid Requirements:

8.4.1 Bid Specifications

Detailed specifications for the required product or service shall be included in the Invitation to Bid (ITB). The specifications may also include such requirements for bid bond, payment bond and/or performance bond as are deemed appropriate or otherwise required by this policy.

8.4.2 Advertising

The ITB shall be advertised in a daily newspaper of general circulation at least one (1) time commencing not less than ten (10) days prior to the date fixed for the opening of bids.

8.5 Request for Proposal Requirements

A request for Proposal (RFP) may be utilized, in the discretion of the College, in connection with the procurement of professional services. If utilized, the RFP shall include a listing of the requirements that must be satisfied by the vendor and may include other capabilities the provision of which would be desirable. Requirements for the advertising of a RFP are the same as for an ITB.

8.6 Award Criteria

In all cases with respect to the selection of a vendor for identical or equivalent products or services, award shall be made on the basis of the lowest responsible and responsive bid or quote received. In the case of an RFP, award shall be based on a competitive negotiation with one or more vendors deemed to have satisfied the mandatory qualifications and requirements specified in the RFP and which, in the sole discretion of the College, demonstrate the ability to timely and satisfactorily perform the scope of work described in the RFP.

8.7 Exceptions to Invitation to Bid (ITB) Requirements

Requirements for bidding as set forth in Section 8.3 above may be waived if any of the following are applicable. The Vice President of Finance is delegated signature authority for waiving the requirement for competition in the following cases:

8.7.1 Emergency or Unusual Circumstances

Competitive bidding may be waived in the event that an unforeseen emergency or condition creates an immediate threat to public safety or threatens to cause substantial property or economic damage or monetary loss to the College if not promptly addressed or corrected.

8.7.2 Sole Source Purchases

Competitive bidding may be waived where prior experience and investigation reasonably convince the Purchasing Department that there is only one vendor who can meet the requirement of the college or that formal bidding procedures will not result in any competitive bids being submitted for the product or service being sought. Patented or copyrighted products are considered to be sole source items.

8.7.3 Use of External Contracts - Piggybacking

The College may “piggyback” off of group purchasing contracts awarded by any other governmental agency or consortium when deemed to be beneficial to the College, including but not limited to contracts awarded by or through the following agencies and entities: United States General Services Administration (GSA), Commonwealth of Pennsylvania Department of General Services Administration (DGS & COSTARS), County of Allegheny, Educational and Institutional Cooperative Services (E & I), U.S. Communities, and Keystone Purchasing Network (KPN).

8.8 Issuance of Purchase Orders

8.8.1 Issuing Department

Purchase Orders shall be issued by the College's Purchasing Department. Purchases by any other means either orally or in writing are not authorized. Persons placing orders otherwise may be held financially responsible for such actions. "Confirming Purchase Orders" are not to be used as a matter of routine and are only to be used in urgent situations with the prior approval of the Purchasing Department, who will assign an emergency Purchase Order number.

8.8.2 Partial Purchase Orders

The Purchasing Department may issue Partial Purchase Orders against a Master Purchase Order or Purchase Agreement.

8.8.3 Change Orders

Change orders not exceeding 10 percent of the original award amount may be executed with approval of the President or his/her designee to accomplish an unplanned increase in the scope of work.

8.9 Special Requirements for Acquisition, Construction or Renovation of Real Property

8.9.1 Bid Bond

All bids shall be accompanied by a bond with corporate surety in such amount as the Board of Trustees shall determine, but not less than ten percent (10%) of the amount bid. In the event any bidder shall, upon award of the contract to him, fail to comply with the requirements as to a bond guaranteeing the performance of the contract, such bid bond shall be forfeited.

8.9.2 Performance Bond

The bidder to whom the contract is awarded shall furnish a bond to guarantee the performance of the contract. Such bond shall be with sufficient surety and in the amount of at least one hundred percent (100%) of the amount of the contract. Failure on the part of the contractor to furnish such bond shall void the previous award.

8.9.3 Subcontractor Payment Bond

The bidder to whom the contract is awarded shall be required to furnish a bond to guarantee the payment of third party sub-contractors involved in fulfillment of services rendered under the contract. Such bond shall be with sufficient surety and in the amount of at least one hundred percent (100%) of the amount of the contract. Failure on the part of the contractor to furnish such bond shall void the award.

8.9.4 Capital Equipment

All purchases of equipment shall be considered a capital expenditure if an individual item of equipment component cost in excess of \$4,000 and has an expected useful life in excess of one year.

8.10 Requisitions

A purchasing transaction shall be initiated by means of a purchase requisition prepared in such form as is specified by the Purchasing Department. The requisition shall be approved by the head of the initiating unit of the College, certifying the proper authorization for the purchase and the availability of funds in the budget.

SECTION 9: RESOURCE PLANNING AND ALLOCATION

9.1 Purpose

The College will, as part of the ongoing planning process, conduct an annual resource planning and allocation process. This process will produce a fiscal plan for the upcoming year and forecasts for two subsequent years. This plan and these forecasts will be submitted for approval to the Board of Trustees annually.

9.2 Revenue Forecasting

9.2.1 Continuing Operations

Revenue for continuing operations will be assumed to be at current levels. Adjustments will be made for discontinued revenues. Revenue from tuition, county appropriations and state reimbursements will be projected at effective rates.

9.2.2 New Initiatives

Revenue from new initiatives will be estimated at the most conservative rate.

9.2.3 Debt Service and Capital Rentals

Revenue in support of debt service and capital rentals will be projected on the basis of funding approved by the county and/or state.

9.3 Budgeting for Operations

The cumulative annual budget for all current fund operating units will equal revenue projected for those units. The annual operating budget will be projected assuming constant service levels, contractual cost increases, and anticipated rates of inflation for costs driven by market conditions.

9.3.1 Budget Development

Budget development will begin at the department and roll up to higher responsibility (Dean, Campus for example) levels culminating in a college-wide request. The department will have the opportunity to propose changes in resources to overcome deficiencies in the delivery of required services.

9.3.2 Budgeting Calendar

The annual operating budget process will start at the beginning of October and progress as set out in Board Policy V.05.02. The operating budget will be submitted to the Board for approval at either the May or June meeting.

9.4 Budgeting for Debt Service and Capital Rentals

The annual debt service and capital rental budget will be developed by the Vice President of Finance/Controller's Office based on contractual commitments. This budget will be submitted to the Board of Trustees with the operating budget in May or June of each year.

9.5 Budgeting for Facilities Acquisition and Renewal

The annual facilities acquisition and renewal budget will be based on the approved Facilities Master Plan for new facilities and a life cycle renewal plan for existing facilities. A prioritized list of current projects will be submitted annually to the Board in May or June of each year. Projects that can be funded within known financial capabilities will be submitted for Board approval at that time.

9.6 Budgeting for Equipment Acquisition and Renewal

The annual equipment acquisition and renewal budget will be based on the approved list of new equipment needs and a life cycle renewal plan for existing equipment. Each year, all college units will be provided the opportunity to identify new equipment needs. A prioritized list of new and replacement equipment needs will be submitted annually to the Board in May or June of each year. Equipment that can be funded within known financial capabilities will be submitted for Board approval at that time.

9.7 Budget Control and Accountability

Each department head/director will have access to reports to monitor the expenditure of funds for which s/he is responsible. The department head/director will be required to manage expenditures within authorized levels.