

6.0 Finance

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Subject Annual Audit
Policy Number 6.2
Officer Responsible VP, Administrative Services

Policy Statement:

An independent certified public accountant, or firm utilizing certified public accountants, licensed to practice public accounting in Illinois and employed by the Board shall audit the College's financial statements annually. The auditor(s) shall be employed by the Board for no more than three consecutive years with an option to renew for an additional two years. The auditor shall examine the statements in accordance with auditing practices generally accepted in the United States of America and regulations prescribed by the State Board. Copies of such audits shall be available in accordance with the Act. *

Legal Citation:

- 110 ILCS 805/3-22.1

Procedure:

Every three to five years a Request for Proposal for audit services shall be issued.

Generally, in May of each year a preliminary meeting shall be conducted with the Business and Fiscal Operations staff and the auditing firm. This meeting shall serve as the engagement meeting.

From the preliminary meeting, a schedule shall be agreed upon by both the College and the auditing firm as to the time frame needed to complete the fieldwork.

A completed audit must be delivered to Illinois Community College Board by December 31 of each year.

The President and VP of Administrative Services shall approve and accept the audit report annually. The audit will be presented to the Board of Trustees at their regularly scheduled meeting prior to being submitted to ICCB each year.

Subject Annual Financial Statement
Policy Number 6.3
Officer Responsible VP, Administrative Services

Policy Statement:

The College shall publish a financial statement annually in accordance with the rules of the Illinois Community College Board and the provisions of the Act. *

Legal Citation:

* 110 ILCS 805/3-22.2

Procedure:

Each year by November 15 the college shall publish in a newspaper of general circulation within the College's district the audited financial information of the district. See the Fiscal Management Manual Appendix B4 for Illinois Community College Board's format.

Certificate of publication is due to the Illinois Community College Board office by December 1 of each year. Also, each county clerk within the College's district receives a certificate of publication.

- Award of contracts for repair, maintenance, remodeling, renovation, or construction involving an expenditure up to and including the (\$50,000) amount currently authorized by the Illinois Public Community College Act, Chapter 110, Illinois Compiled Statutes, 805/3-27.1 must be authorized by the Vice President of the department making the request.
- Construction change orders that would cause the construction project to exceed the Board approved project budget shall be submitted to the Board for prior approval. Change orders for any construction project that do not cause the project to exceed the Board approved project budget will be presented to the Board for ratification at the next regular meeting.
- Following the award of a contract, any single change order that exceeds 10% of the current contract price shall be competitively bid in accordance with 110 ILCS 805/3-27.1.

Subject	Insurance Coverage
Policy Number	6.5
Officer Responsible	VP, Administrative Services

Policy Statement:

Property, casualty, and liability risks for College property and employees shall have appropriate insurance coverage in accordance with the Act*, and as approved by the Board. The Board may from time to time employ an insurance consultant to recommend coverage and to assist in securing such coverage.

Insurance shall be secured for, but not limited to, the following risks: fire and extended coverage on real and personal property, comprehensive liability, worker's compensation (including "wrongful acts"), personal fidelity bonds, college-owned vehicle insurance, burglary insurance, and insurance for fringe benefits.

Legal Citation:

* 110 ILCS 805/3-29

Procedure:

Annually the Vice President of Administrative Services or designee will review the insurance policies in order to verify that adequate coverage is maintained.

Subject	Accounting
Policy Number	6.7
Officer Responsible	VP, Administrative Services

Policy Statement:

The College shall follow an economic resources measurement focus and the accrual basis of accounting for all funds in accordance with accounting principles generally accepted in the United States of America.

Procedure:

The College shall follow an economic resources measurement focus and the accrual basis of accounting for all funds. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred. At June 30, the current property tax receivable represents 50% of the prior December levy and 50% of the estimated levy applicable to the portion of the fiscal year ended June 30. The College shall also review all invoices at the fiscal year end so that the expenditure is charged to the appropriate fiscal year.

3. Return on Investments - The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the risk constraints, the cash flow characteristics of the portfolio and legal restrictions for return on investments.
4. Local Investments – Where practical and fiscally responsible, the College will invest its funds with financial institutions doing business within the Lincoln Land Community College district.

Allowable Investment Instruments:

1. Bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued by the United States of America;
2. Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies, (agencies as defined by Section 2 (c) of the Act);
3. Interest bearing savings accounts, interest bearing certificates of deposit or interest-bearing time deposits with a bank, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act;
4. Certificates of deposit with federally insured institutions that are fully collateralized, or insured, for any amount deposited in excess of the Federal Deposit Insurance Corporation coverage limit;
5. Short-term obligations of U.S. Corporations with assets exceeding \$500 million; i.e. commercial paper. These obligations must be rated within the three highest classifications established by two or more standard rating services, the obligations must mature within three years, such purchase may not exceed 10 percent of a corporation's outstanding obligations, and no more than one-third of the district's funds may be invested in short-term obligations of corporations;
6. Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of such money market mutual fund is limited to type "a" or "b" investments and agreements to repurchase such obligations;
7. Short-term discount obligations issued by the Federal National Mortgage Association;
8. Shares or other securities issued by savings and loan associations;
9. Dividend-bearing share accounts, share certificate accounts, or class of share accounts of a credit union chartered in the United States of America with its principal office located in Illinois if insured by applicable law;
10. Certificates or securities issued by the Public Treasurers' Investment Pool;
11. Funds managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company;
12. Illinois School District Liquid Asset Fund (authorized by Section 3-47 of the *Public Community College Act*).
13. Repurchase agreements in which the instrument and the transaction meet the following requirements:
 - a. Unless registered or inscribed in the name of the college, the securities shall be purchased through banks or trust companies authorized to do business in the state of Illinois. Such a custodial bank must be a member bank of the Federal Reserve system or must maintain accounts with

- member banks so as to accomplish the book-entry transfer of securities to the college's credit;
- b. After ascertaining which authorized trading partner, as seller, will give the most favorable rate of interest, the authorized college officer shall direct the custodial bank, as the college's agent, to purchase specified securities from that financial institution and shall inform the custodial bank in writing of the maturity details of the repurchase agreement. The custodial bank shall then take delivery of and maintain the securities in its custody for the college's account, confirming the transaction in writing to the college;
 - c. Trading partners shall be limited to banks or trust companies authorized to do business in the state of Illinois or to registered primary reporting dealers;
 - d. The security interest must be perfected;
 - e. A written master repurchase agreement shall be executed by the college and its trading partners which outlines the basic responsibilities and liabilities of both buyer and seller;
 - f. Repurchase agreements shall be for periods of 330 days or less;
 - g. The custodial undertaking shall provide that the custodian takes possession of the securities exclusively for the college, that the securities are free from any claims of the seller, and that any claims of the custodian are subordinate to the college's interest in the securities;
 - h. The obligations purchased by the college may only be sold or presented for redemption or payment upon the college's written instructions;
 - i. The custodial bank shall be liable to the college for any monetary loss suffered by the college due to the failure of the custodial bank to take and maintain possession of purchased securities;
14. OR collateralized repurchase agreements which conform to the requirements stated in paragraph 2(g) or 2(h) of the Act;
15. Mutual funds that invest primarily in corporate investment grade or global government short-term bonds which have approval of the Board of Trustees. Mutual funds that invest primarily in global short-term bonds shall be limited to funds with assets of at least \$100 million and rated, at the time of purchase, as one of the ten highest classifications established by a recognized rating service. No more than 5 percentage of the college's investment portfolio that can be invested in such funds. Type "a & b" investments and "e" investment portfolios, both principal and interest, must be guaranteed "by the full faith and credit of the United States of America." Type "b" investments may be made only with banks that are insured by the Federal Deposit Insurance Corporation (FDIC). The Federal Savings and Loan Insurance Corporation (FSLIC) must insure any type "g" investments. Both type "c" and "g" investments are insured for up to \$250,000 by their respective insurance corporations. Type "d" and "f" investments have no statutorily necessary guarantees, although such guarantees are prudent. Purchase of type "d" investments may not exceed 10 percent of the corporation's outstanding obligations and no more than one-third of college funds may be invested in short-term obligations of corporations. The amounts invested in any

other institution, e.g., a bank, are not limited by statute, although it is prudent not to invest more than is insured by either the FDIC or the FSLIC without additional collateral.

16. OR Mutual funds investments which conform to the requirements stated in paragraph 2(j) of the Act.

Diversification:

Because Objective 1 of this document requires FDIC coverage, private insurance or full collateralization, the diversification procedures do not have to consider risk of loss. As such, 100% of the College's funds may be invested in any of the instruments allowed in the Investment Instruments section of this document.

Collateralization:

1. It is the policy of the College to require that time deposits in excess of FDIC insurable limits be secured by collateral or private insurance to protect public deposits in a single financial institution if it were to default.
2. Eligible collateral instruments are any investment instruments acceptable under the Act. The collateral must be placed in safekeeping at or before the time the College buys the investments so that it is evident that the purchase of the investment is predicated on the securing of collateral.
3. Safekeeping of Collateral
 - a) Third party safekeeping is required for all collateral. To accomplish this, the securities must be held at one or more of the following locations:
 - a. at a Federal Reserve Bank or its branch office.
 - b. or at another custodial facility in a trust or safekeeping department through book-entry at the Federal Reserve

Safekeeping of Securities:

1. Safekeeping will be documented by an approved written agreement between the Board of Trustees and the holder of the securities. This may be in the form of a safekeeping agreement, trust agreement, escrow agreement or custody agreement.
2. Original certificates of deposits will be held by the originating bank. A safekeeping receipt will be acceptable documentation.

Qualified Financial Institutions and Intermediaries:

1. Depositories - Demand Deposits
 - a. Any financial institution selected by the College shall provide normal banking services, including, but not limited to checking accounts, wire transfers and safekeeping services.
 - b. The College will not maintain funds in any financial institution that is not a member of the FDIC system. In addition, the College will not maintain funds in any institution that does not first agree to post required collateral for funds or purchase private insurance in excess of FDIC insurable limits and in amounts required by the College.
 - c. To qualify as a depository, a financial institution must furnish the Vice President of Administrative Services with copies of the latest two

- statements of condition which it is required to furnish to the Comptroller of Currency as the case may be. While acting as a depository, a financial institution must continue to furnish such statements to the Vice President of Administrative Services annually.
- d. Fees for banking services shall be mutually agreed to by an authorized representative of the depository bank and the Vice President of Administrative Services on an annual basis. Fees for services shall be substantiated by a monthly account analysis.
2. Banks and Savings and Loans - Certificates of Deposit: Any financial institution selected to be eligible for the College's certificate of deposit purchase program must:
 - a. provide wire transfer and certificate of deposit safekeeping services.
 - b. be a member of FDIC system and be willing and capable of posting required collateral or private insurance for funds in excess of FDIC insurable limits and in amounts required by the College; and
 - c. meet at all times the financial criteria as established in the investment procedures of the College.
 3. Intermediaries: Any financial intermediary selected to be eligible for the College's investment program must:
 - a. provide wire transfer and deposit safekeeping services.
 - b. maintain appropriate federal and state registrations for the type of business in which they are engaged.
 - c. provide an annual audit upon request.
 - d. maintain an office within the State of Illinois and be licensed to conduct business in this State; and
 - e. be familiar with the Board of Trustees' policy and accept financial responsibility for any investment not appropriate according to the policy.

Management of Investment Program:

1. The following individuals are authorized to purchase and sell investments, authorize wire transfers, authorize the release of pledged collateral, and to execute any documents required under this procedure:
 - a. Treasurer.
 - b. Vice President of Administrative Services.
 - c. Assistant Vice President of Finance, with approval from the Vice President of Administrative Services.
 - d. Controller, with approval from the Vice President of Administrative Services
2. These documents include:
 - a. Wire Transfer Agreement
 - b. Depository Agreement
 - c. Safekeeping Agreement
 - d. Custody Agreement
 - e. Collateral Agreement

3. Management responsibility for the investment program is hereby delegated to the Treasurer, Vice President of Administrative Services, Assistant Vice President of Finance, who shall establish a system of internal controls and written operational procedures designed to prevent loss of funds that might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the College. Such procedures shall include explicit delegation of authority to persons responsible for the execution under the direction of the Vice President of Administrative Services of specific financial transactions, including investment transactions; check signing, check reconciliation, deposits, bond payments, report preparation and wire transfers. No person may engage in any investment transaction except as provided for under the terms of this policy. The Vice President of Administrative Services and the Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.
4. The wording of agreements necessary to fulfill the investment responsibilities is the responsibility of the Vice President of Administrative Services who shall periodically review them for their consistency with College policy and State law and who shall be assisted in this function by the Treasurer, College legal counsel and auditors. These agreements include but not limited to a) Wire Transfer Agreement b) Depository Agreement c) Safekeeping Agreement d) Custody Agreement e) Collateral Agreement

Ethics and Conflicts of Interest:

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Further, except as permitted under Section 3.2 of the Public Officer Prohibited Practices Act, no officer involved in the investment process shall have any interest in, or receive any compensation from, any investments in which the College is authorized to invest, or the sellers, sponsors or managers of those investments.

Indemnification:

Investment officers and employees of the College acting in accordance with this Investment Procedure and such written operational policies as may be established by the College, and who otherwise exercise due diligence and act with reasonable prudence, shall be relieved of personal liability for an individual security's credit risk or market changes.

Subject	Tax Abatements and Exemptions
Policy Number	6.9
Officer Responsible	VP, Administrative Services

Policy Statement:

The Board may recommend the award of tax abatements for economic development assistance where proposed business expansion or development adds significant new taxable assessed valuation and/or new employment opportunities in the District, and it may recommend tax exemptions in accordance with law.

Procedure:

Requests for tax exemptions or to have property abated shall be presented to the Board for approval at their regular monthly meetings. The owner of said property should contact the Vice President of Administrative Services requesting that their property be considered for exemption or abatement and listing their rationale for the exemption or abatement.

Subject Annual Budget
Policy Number 6.10
Officer Responsible VP, Administrative Services

Policy Statement:

An annual budget shall be available for public inspection in accordance with the Act* and it shall be approved by the Board.

Legal Citation:

- 110 ILCS 805/3-20.1

Procedure:

Budget planning is electronically integrated with the college's institutional planning process and linked to college goals and objectives. The electronic database that collects and stores information in the budget and planning process, the LLCC Planning and Budgeting Database, may be accessed via the college's portal.

Implicit in the budget planning process is feedback loops by the appropriate administrators, at *each stage* of the process, to ensure communication and gain feedback from the college community.

The budget planning and development cycle for each fiscal year begins after the electronic planning module closes on the portal, and shall be accomplished with the following guidelines:

1. A budget calendar will be prepared by the Associate Vice President, Finance and communicated to budget managers for use during the Budget Process. The following shall be included:
 - A detailed timetable for the budget process.
 - Dates for opening and closing of modules in the electronic LLCC Planning and Budgeting Database.
 - Guidelines and assignment of responsibility for all stages of the process.
2. Budget Managers will receive an instructional email to announce the opening of the Budget Planning Module. The email will include:
 - Anticipated due date for submission of the completed electronic Budget Planning Form.
 - Link to the Budget Office portal site to access the electronic Budget Planning Form.
 - Directions for completion of the electronic Budget Planning Form.
3. Budget development will begin in each department. Requests for funding shall consider the established college goals and objectives. Budget development should include:
 - Development of budget requests associated with strategies proposed during the current Planning Process.
 - Development of budget maintenance requests.
 - Determination of departmental priorities.

- Identification of additional resources (grants, partnerships, etc.).
 - Identification of line items that are over or under funded.
4. Budget managers will complete and submit the electronic Budget Planning Form, referring to budget development expectations listed in step 3.
 5. Upon submission of the Budget Planning Form by Budget Managers:
 - A copy will be saved to the Budget Office portal site.
 - Forms will be routed to the next-line supervisors for review and approval.
 - Vice Presidents or appropriate administrator will review and approve items.
 - Vice Presidents or appropriate administrator will meet with divisions and assign divisional priorities.
 6. All budget requests will be compiled and housed in the electronic LLCC Planning and Budgeting Database, managed and maintained by the Office of Budgeting, Financial Planning and Analysis.
 7. The Finance Office will review the divisional priorities for funding and compare to preliminary revenue projections for all funding sources (including grants and capital projects). The budget office will generate reports for review.
 8. Budget priorities that were approved by the VP or appropriate administrator or each division will be presented to the Cabinet for review, discussion and development of institutional priorities. Continued review and discussion will occur to align institutional priorities to anticipated revenues and appropriate funding sources.
 9. A Board budget workshop will be held to share updated revenues and expenditure projections as well as tentative funding priorities from the campus budget workshop.
 10. The tentative budget will be prepared, presented to the Board, and placed on display for public inspection for at least 30 days prior to approval.
 11. The Board of Trustees will hold a public hearing prior to adoption of the annual budget.
 12. The final budget will be filed with ICCB and all counties by the end of the first quarter of the year.

Procedure:

All employees who travel with a student club, student group, or athletic team in the capacity of advisor, coach, chaperone, etc. or assisting an advisor, coach, chaperone, etc. will follow the travel procedures and rules issued through the offices of Student Life or Athletics, as applicable.

General Travel Guidelines

- All persons traveling on college business are expected to use conservative economies.
- Travel advances will not be issued.
- The College will “direct pay” airline tickets, hotel expenses and registration fees when sufficient notice is provided.
- Travelers shall request the governmental rate offered by the hotel when requesting lodging.
- Original detailed receipts are required for reimbursement of business-related expenses (does not apply to meals.)
- Those traveling with students must also follow established procedures for field trips, athletic travel and/or student organization travel.
- The college uses the United States General Services Administration (US GSA) travel per diem rates for lodging, meals, and incidental expenses in determining reimbursement maximums and as a guideline for reasonableness of expenses submitted. The current US GSA amounts can be found here - <http://www.gsa.gov/portal/content/104877>.

Before Traveling

- Employees will complete the pre-travel estimated expenses section of the travel form and submit it for approval.
- Be aware that out-of-state travel requires Board of Trustees approval in advance of the travel. Please submit the form in a timely manner to ensure Board approval prior to the date of travel.

Vehicular Travel

- Employees are encouraged to use a college vehicle whenever possible.
- Employees must possess a valid driver’s license.
- If an employee uses their own vehicle, they must have insurance coverage in an amount not less than required by the State of IL vehicle code.
- Parking and toll charges will be reimbursed with documentation.
- Parking tickets and other traffic violations will not be reimbursed.
- When starting or ending the regular workday with travel to/from a destination other than the employee’s normal work location, the distance of the employee’s normal daily commute must be subtracted from the miles submitted.
- If a college vehicle is available and an employee chooses to drive their personal vehicle, the employee will be reimbursed at the current GSA rate for when a government-furnished automobile is available.
- Reimbursement of mileage for use of a personal vehicle when a college vehicle is unavailable shall be at the current GSA rate for when no government-furnished automobile is available.
- When driving for college business in lieu of airline travel, mileage reimbursement

is limited to the cost of a 14-day advance purchase airfare to the destination and travel to and from the closest airport(s).

Rental Cars

- Rental cars will be reimbursed when deemed necessary and with supervisory approval.
- Collision damage waiver and personal accident insurance on the rental vehicle will not be reimbursed.

Airline Travel

- Airline travel is to be at coach, economy class or the lowest logical fare.
- Employees may use the college's travel agency that will direct bill the cost to the College. Contact the Purchasing Department for the name of the agency.
- Traveler will be allowed to retain the frequent flyer miles.
- If a ticketless option is used, a copy of the itinerary or a copy of the airline confirmation will suffice as documentation.
- LLCC will reimburse the airline fee charged for checking one bag and the airline fee charged for one carry-on item (if applicable).
- Reimbursement for train travel in lieu of airline travel is limited to the cost of a 14-day advance purchase airfare and travel to and from the closest airport(s).

Lodging

- Double occupancy is encouraged when practical.
- Payment or reimbursement for lodging will be limited to the number of days necessary to attend the approved meeting/conference.
- Payment for an extra days lodging will be allowed if the lodging cost is less than the additional cost of airline ticketing on a subsequent day and documentation must be attached to the Travel Form.
- Any additional expenses due to a spouse or travel companion will be the responsibility of the employee.
- Telephone calls while on official business, including calls of short duration to announce safe arrival, will be reimbursed.
- Reasonable tips for luggage handling will be reimbursed, subject to the US GSA Incidental Expense amount for the travel location.
- Room upgrades, early check-in fees, late check-out fees, childcare, movie rentals, room service, dry cleaning, personal phone calls, and other personal items or services will not be reimbursed.

Meals

Employees will be reimbursed for meals (including food services tips) while traveling on College business outside of their Official Headquarters (location where primary employment occurs) based on the US GSA Meal Per Diem Rates for the location traveled to. The College will reimburse at the Per Diem or Meal Allowance rate as specified by the US GSA. The Per Diem amount for meal reimbursement shall not include the amount identified as "Incidental Expense". The current Per Diem amount for specific travel locations can be found here - <http://www.gsa.gov/portal/content/104877>. The Per Diem rates are divided in to amounts for breakfast, lunch, dinner, and incidental expenses and the breakdown can be found here - <http://www.gsa.gov/portal/content/101518>.

- Receipts are not required.
- Breakfast is reimbursable for travel before 6:00 a.m. and dinner is reimbursable

- for travel after 6:00 p.m.
- All per diem reimbursements must be reduced for meals provided by another entity (e.g., conference meals, lunch provided by another institution, etc.). The Per Diem breakdown is to be used to determine the amount to reduce for breakfast, lunch, or dinner, as applicable.
- The cost of alcoholic beverages will not be reimbursed.

Post-Travel Reimbursement Process

- Upon completion of the travel activity, employee shall complete the post-Travel section of the Travel Form. Employee shall then forward the original with accompanying receipts to the appropriate budget manager for approval.
- Upon receipt of the approved Travel Form, the Business Office will review the Travel Form and associated documentation and issue reimbursement within two weeks, unless additional information or documentation is requested.

Incidental Expenses

- Defined by the US GSA as fees and tips given to porters, baggage carriers, hotel staff, and staff on ships.
- Incidental expenses will be reimbursed up to the amount designated in the per diem rate breakdown by the US GSA.

Entertainment

- No reimbursement will be made for any type of entertainment expense as defined by the Local Government Travel Expense Control Act (Public Act 99-0604) as enacted or amended.

Maximum Allowable Reimbursement

- The maximum allowable reimbursement amounts are defined above in Policy 6.13, Employee Travel. Expenses that exceed the maximum allowable reimbursement amounts may be eligible for reimbursement. The employee is required to provide a written explanation as to why the expenses exceeded the maximum amounts. If approved by the appropriate Cabinet member, the Travel Form and explanation will be forwarded to the College President for review and approval.

Subject **College Depository**
Policy Number **6.14**
Officer Responsible **VP, Administrative Services**

Policy Statement:

The College shall use a qualified financial/banking institution as a depository for College funds that meets the specifications in the Act. *

Legal Citation:

* 110 ILCS 805/3-27

Procedure:

Every three to five years a Request for Proposal for financial/banking services shall be mailed. The current financial/banking institution may receive a proposal.

The proposals shall be mailed and become due so that a final decision may be reached by the Board of Trustees no later than their March meeting.

Subject **Tax Levies**
Policy Number **6.15**
Officer Responsible **VP, Administrative Services**

Policy Statement:

The College shall file the annual tax levy in accordance with the Act*.

Legal Citation:

* 110 ILCS 805/3-20.5

Procedure:

1. Prior to the December board meeting, the Finance Office will poll the counties that the district serves, to obtain estimated increases in EAV.
2. All relevant data, including estimated increase in EAV as well as expenditure projections by fund, will be entered in the tax levy projection model, to prepare the tax levy board agenda items and all associated legal documents.
3. Analysis of the projected levy data will indicate if Truth in Taxation must be filed. If so, the filing will occur according to Public Act 86-957 and 35 ILCS 200.
4. The administration will submit, no later than December, for Board approval, the annual certificate of tax levy.
5. This tax levy will be filed with each county clerk by the last Tuesday of December.

Subject	Purchase Orders
Policy Number	6.16
Officer Responsible	VP, Administrative Services

Policy Statement:

The College shall issue purchase orders for its lawful expenses.

Procedure:

All prospective vendors shall submit all bids and quotes in a uniform manner according to the specifications of the College. The Vice President, Administrative Services or designee shall set a time for receiving and publicly opening all quotes and bids. The results shall be tabulated, and competitive bids will be forwarded to the Board for approval.

Any department making a single purchase between \$10,000 – 24,999 requires quotations (at least 3) to be sought and any purchase of \$25,000 or more requires a bid or proposal to be received by the Purchasing Department. Each department shall work with the Purchasing Department to meet these requirements.

The Purchasing Department will be responsible for the completion and mailing of the quotation, bid, or proposal to prospective vendors.

Once the Board approves a bid or proposal, it is the responsibility of the originator to complete an on-line requisition on-line so that a purchase order may be issued to the vendor for the goods or services.

After a requisition has been completed and appropriate approvals have been secured, the Purchasing Department will issue a purchase order, which will either be mailed or faxed directly to the vendor from the Purchasing Department.

Subject **Use of College Credit Cards**
Policy Number **6.17**
Officer Responsible **VP, Administrative Services**

Policy Statement:

Credit cards which obligate the College may be issued to Board members and, upon approval, to College employees in accordance with the Act. * College credit cards may be used only for purchases that are consistent with the College's purchasing policies and procedures. In particular, credit cards may not be used to circumvent College purchasing procedures and may not be used for personal expenditures. Requests for credit card payments must include an explanation of the public purpose and copies of the credit card statement and all receipts.

Legal Citation:

* 110 ILCS 805/3-7

Procedure:

The intent of the College credit card is for reserving College related travel accommodations and small emergency purchases (under \$500 and should not be used for capital expenditures).

The credit card is for College related expenses only, no personal charges or cash advances will be allowed.

A monthly statement from the credit card company will be mailed to each cardholder. This statement, along with the individual receipts, shall be attached to a confirmed and received form and then submitted to accounts payable in a timely manner for payment. If payment isn't submitted in a timely manner all late charges and interest fee will become the personal responsibility of the cardholder. Individual cardholders assume all responsibilities and charges for inappropriate use of the College credit card. Abuse of the College credit card will result in the cancellation of such card.

Subject **Moving Capital Assets**
Policy Number **6.19**
Officer Responsible **VP, Administrative Services**

Policy Statement:

The approval of the appropriate vice president is required before any capital asset (e.g., furniture and equipment) requiring an inventory tag is moved from its recorded location, unless the item is identified as portable.

Procedure:

When moving a single piece of equipment or an entire office and the assistance of the Facility Services is needed, you must complete a Facility Services “work order” form. Appropriate signatures must also be secured on the work order form. Once the work order has been received by Facility Services the work will be scheduled to be completed. At the same time, you must complete a “permission to move” form and submit it for appropriate signatures. Completed forms shall then be submitted to Property Control. This will allow Property Control personnel to account for fixed assets and inventory and to make sure fixed assets are appropriately tagged.

Subject	Student Activity Funds
Policy Number	6.20
Officer Responsible	VP, Administrative Services

Policy Statement:

Student activity funds shall be accounted for in accordance with aBoard approved budget and Generally Accepted Accounting Principles.

Procedure:

Each student shall be assessed \$2.00 per credit hour for student activity fees. These funds are recognized in the Trust and Agency Fund.

Student Life provides a listing to the Finance Office at the beginning of each fiscal year identifying the distribution of the student activity fee to the various student club accounts.

Student activity fee allocations awarded to student organizations and departments are distributed at the beginning of each fiscal year provided sufficient funds are available.

Subject	Administrative Support for Non-College Entities
Policy Number	6.21
Officer Responsible	VP, Administrative Services

Policy Statement:

The College actively seeks to partner with and/or support organizations not directly affiliated with the College but having a community of interest consistent with the mission of the College. Accordingly, the College may provide administrative support to organizations without charge when the following criteria are met:

- the organization presents proof that it is a non-profit entity.
- its mission, goals, and purposes are determined to be consistent with the mission of the College; and
- its affiliation with the College is formalized through an agreement approved by the Board of Trustees.

Subject Use of College -Owned Vehicles
Policy Number 6.22
Officer Responsible VP, Administrative Services

Policy Statement:

The College shall be responsible for coordinating the maintenance and use of all college-owned vehicles. Approval of the use of all vehicles requires the prior approval of the appropriate vice president or designee. Procedures shall be established by the College to regulate the use of these vehicles.

Procedure:

1. Authorized personnel are to schedule the use of a College vehicle by contacting the Property Control personnel.
2. The person requesting the vehicle must provide the date, the departure time, the number of persons, destination and approximate return date and time.
3. The keys and credit cards are to be acquired from the Property Control personnel during normal office hours. Special arrangements may be made to retrieve keys from the Police & Security Department during off-hours.
4. The vehicles shall be returned to the appropriate lot on the eastern end of campus. All keys and credit cards are to be returned to the key return slot located on the Northeast side of Menard Hall, next to the dock door.
5. All potential drivers of campus vehicles shall have a valid driver's license on file with the Property Control personnel. Students are allowed to drive campus vehicles with proper supervision.
6. All members of faculty and staff are required to fill the gas tank of the vehicle prior to returning it to the campus. Gas credit cards are provided at the time vehicle key(s) are picked up.
7. All traffic and parking violations incurred during the use of the vehicle are the sole responsibility of the driver.
8. Vehicle interiors are to be kept clean and free of trash when returned to the campus. Any expenses incurred for the cleaning of vehicles due to abuse or neglect will be charged to the department responsible for the abuse.
9. Any accidents, mechanical problems or vandalism must be reported to the Department of Police & Security and Property Control immediately. If the vehicle is involved in an accident, the user must wait until the proper authorities arrive and author an official accident report. A copy of this report must be given to Property Control personnel and Police & Security. Charges will be assessed to any Department that is responsible for damages to College vehicles arising out of neglect. Use of College vehicles is a privilege and may be revoked at any time for those who abuse the privilege.

10. Property Control personnel is responsible for the maintenance, scheduling and upkeep of the College vehicles.
11. College vehicles are to be used by faculty and staff when available. If vehicles are not available, faculty and staff are welcome to use their private vehicles and receive mileage reimbursement for this use. If College vehicles are not available, rental vehicles may be reserved for staff and employees. The request and reservations must be made through the Property Control personnel.
12. When reservations for rental vehicles are made by the property control personnel, the pick-up and return of the rental vehicle is the responsibility of the group using the vehicle. College gas cards are picked up from the property control personnel before picking up the rental vehicles.

Subject **Auxiliary Services**
Policy Number **6.23**
Officer Responsible **VP, Administrative Services**

Policy Statement:

The College shall provide for auxiliary services for College students and employees in accordance with the Act. *

Legal Citation:

* 110 ILCS 805/3-31.1

Procedure:

Auxiliary Services include such services as: Food Service, Business Training Institute, Child Development Center, and Bookstore.

Every three to five years a Request for Proposal shall be mailed out seeking a food service provider to operate the food service as the College.

Mailroom: Responsibility of mailroom is to receive incoming mail to the College and prepare outgoing mail meeting the standards set forth by the United States Postal Services.

- Daily outgoing mail needs to be delivered to the mailroom by 3:00 p.m.
- Bulk mailings must be reported to the Facilities Services Support Specialist before being sent.

Duplication: Responsible for duplication of College related material.

- 48 hours are required for any duplication order.
- Orders that require binding, cutting, gluing must have 5 working days notice.
- Weekends and Holidays are excluded.
- Large orders and orders requiring extreme labor are subject to review.
- Duplication orders that have the LLCC logo must be approved by the Public Relations and Marketing Office.

Central Receiving: Responsible for the receipt and delivery of College parcels and freight. Also responsible for storage and delivery of institutional supplies.

- The shipment of outgoing parcels is also handled by Central Receiving. Carriers for the College are UPS and DHL.

Subject	Fraud Risk Assessment
Policy Number	6.24
Officer Responsible	VP, Administrative Services

Policy Statement:

The Vice President of Administrative Services or his/her designee shall develop a process and resulting procedures to assess the risk of fraud and correct any deficiencies found which could lead to fraud. Such process and procedures shall include, but not be limited to, a system of internal controls designed to ensure a proper segregation of duties, a system of checks and balances, and the methods for reporting and correcting any deficiencies that are detected. Departmental managers shall be responsible for identifying and correcting any risks of fraud found within their departments. This process shall be appropriately communicated to college employees and an appropriate means of reporting suspected fraud and risk of fraud shall be developed.

Subject	Red Flag Rules
Policy Number	6.25
Officer Responsible	VP, Administrative Services

Policy Statement:

It is the policy of Lincoln Land Community College to have a process and resulting procedures to assess the risk associated with the threat of identity theft and to report and correct any deficiencies found which could lead to identity theft. Such process and procedures shall include, but not be limited to, a system of internal controls for verifying address changes, identify relevant patterns, practices, and specific forms of activity that are “red flags” signaling possible identity theft and incorporate those red flags into College wide procedures.

Subject Capitalization of Capital Assets
Policy Number 6.26
Officer Responsible VP, Administrative Services

Policy Statement:

The College shall establish and maintain fixed asset records to comply with governmental financial reporting standards, to provide a basis for determining appropriate insurable values and to establish responsibility for property control.

Subject **Business Enterprise Compliance Act**
Policy Number **6.27**
Officer Responsible **VP, Administrative Services**

Policy Statement:

Lincoln Land Community College shall promote the economic development of businesses owned by minorities, females, and persons with disabilities by developing and maintaining plans and procedures for establishing aspirational goals to increase the procurement of goods and services from such businesses and to otherwise comply with the requirements of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575/0.01).

Procedure:

The College will encourage the participation of qualified minority, female, and persons with disability owned businesses by advertising, whenever possible, with trade associations, service organizations, minority newspapers and other appropriate media and other organizations focused on the needs of businesses owned by minorities, females, and persons with disabilities to alert potential contractors and suppliers of opportunities. The College will support key administrative and staff members to attend and participate in training sessions, workshops, conferences, and seminars dealing with procurement through qualified minority, female, and persons with disability-owned businesses in compliance with the Act.

In furtherance of the above:

1. The College President shall appoint the Vice President, Administrative Services as the BusinessEnterprise Council (BEC) representative;
2. The College Liaison shall file an annual compliance plan with the BEC as specified by the Act;
3. The College Liaison shall file an annual report as required by the Act with ICCB. ICCB will file the annual report from all community colleges with the BEC.
4. The College shall use bid forms to gather and request information relating to vendor's minority status and refer vendors to the CMS's Business Enterprise Program website.
5. The College will request all new vendors to fill out the new vendor information form.
6. The College will record all vendor information in Colleague for tracking purposes.
7. The College shall comply with all other requirements of the Act.