I. Budget Control

A. All budgets of the College will be prepared and administered in a manner consistent with applicable law, regulations, and procedures, within Board policy and with the guidance of the College mission, purpose and goals.

1. The Operating Budget of the College will be prepared in such a manner that appropriations can be made to those major functions established by the Maryland Higher Education Commission, and that each major function can be subdivided, for internal operating purposes as appropriate, into expenditure classifications as recommended in the Accounting Manual for Maryland Community Colleges. In accordance with state law, the major functions established by the Maryland Higher Education Commission shall conform generally to those contained in the current Industry Audit Guide, “Audits of Colleges and Universities,” issued by the American Institute of Certified Public Accountants.

2. The Capital Budget of the College, including the College’s long-term capital improvements program, will be prepared in accordance with county fiscal procedures not inconsistent with state law.

B. The President of the College is responsible for preventing the overspending of appropriations contained in all College budgets. The Vice President of Finance/Chief Financial Officer is responsible to the President for establishing and implementing a financial control system to provide for the management and control of appropriations contained in all College budgets and for developing and maintaining written procedures and guidelines for use by the Office of Business Services in administering the fiscal matters of the College.

C. The President of the College is responsible for preventing the over-encumbrance of the number of authorized regular positions. Any increase or decrease in the number of regular positions must be approved by the Board of Trustees. The movement of positions between organizational units of the College must be authorized by the President. The Senior Vice President for Administrative and Fiscal Services is responsible to the President for establishing and implementing a position control system and for providing that an authorized position exists for each newly hired person.

D. In accordance with state law, the Montgomery County Council is responsible for making appropriations to each project within the College Capital Budget, to the College debt service requirement, and to the major functions of the current operating fund (Operating Budget) and the special funds.

E. Supplemental and emergency appropriations for the College Capital Budget, and for the major functions of the current operating fund and the special funds, must be approved by the Board of Trustees, subject to such other approvals as are required by law.
F. Movements of funds between the major functions of the current operating fund and the special funds are defined as transfers and must be approved by the Board of Trustees. State law requires that these transfers shall be submitted in writing and approved by the County governing body before they are made and, if the County governing body fails to act on a request for a transfer within 30 days, the request is automatically approved as requested.

G. Movements of funds between objects within a major function of the current operating fund and the special funds shall be approved by the President or designee. These modifications are defined as redistributions.

II. Revenue

A. The President, or designee, is authorized to receive all monies for College accounts and to provide for the establishment of procedures for the receipt, recordation and accounting of such monies. The Vice President of Finance/Chief Financial Officer has been authorized by the President to receive all monies for College accounts and is responsible to the President for establishing and implementing procedures for the receipt, recordation, and accounting of such monies.

B. Major Revenue

Section 16-403 of the Education Article of the Annotated Code of Maryland, provides that the major sources of revenue for the budgets shall be the State, County, and tuition and fees paid by students. Adoption of the budgets for each fiscal year with their estimates of revenue to be acquired from the foregoing major sources, provides the authority for the President, or the President's designee(s) to receive and deposit funds from such sources in appropriate College accounts, without further specific Board action.

C. Investment Revenue

The Board of Trustees, by resolutions 70-101 (7/21/70), 72-30 (2/21/72), and 73-150 (9/17/73) has authorized the President to obtain additional revenue by investing unused funds of the College in fully insured securities as specified by State law. Adoption of the College budgets for each fiscal year with their estimates of revenue to be acquired from interest provides the authority for the President or the President's designee(s) to receive and deposit such funds in appropriate College accounts, without further specific Board action.

D. Mixed Revenue and Receipts

1. Definition

"Mixed revenue and receipts" is defined as that received from all sources other than those specified in sub-paragraphs and B and C above. Such revenue includes:

a. Grants from agencies of the Federal, State, or local
governments.

b. Income from the sales of goods and services associated with auxiliary enterprises.

c. Fees and charges received by Workforce Development & Continuing Education.

d. Parking fines.

e. Funds donated for scholarships or student financial aid.

f. Outright cash gifts for purposes other than scholarships or student financial aid.

g. Funds received for which the College acts merely as a fiscal agent with or without reimbursement for administrative services.

h. Receipts from the sale of Board property.

i. Royalties or receipts derived from the sale or rental of materials copyrighted in the name of the College.

2. Grants from Governmental Agencies

a. The President or the President’s designee(s) is authorized, without prior reference to the Board of Trustees, to negotiate for, receive, and deposit into appropriate accounts grants from agencies of the Federal, State, or local governments provided that no matching funds are required from the College or that matching funds in the required amount have been authorized by the Board in the College’s Operating Budget document for the applicable fiscal year.

b. In those cases in which negotiations authorized by the President or the President’s designee(s) indicate to the President the desirability of applying for a grant from an agency of the Federal, State, or local government and any required matching funds have not been specifically included in the applicable Board-approved Operating Budget document, the President will prepare an appropriate resolution for the Board of Trustees. The memorandum containing the resolution will relate the relevant facts pertaining to the grant and will include recommendations pertaining to the movement of monies necessary for the establishment of the required matching funds.

c. This policy applies to all grants and cooperative agreements which place an obligation on Montgomery College. In most cases, this involves a formal agreement in which Montgomery College agrees to conduct or perform certain activities and the grantor provides funds, equipment, materials, and/or services that Montgomery College agrees to manage according to its policies and procedures.

d. Montgomery College, rather than an individual or department, is the legal recipient of grants and cooperative agreements. As such, the President or the President’s designee is the sole authorized certifying official for submission and acceptance of grants and cooperative agreements for Montgomery College.
Equipment purchases from grants or cooperative agreements become the property of Montgomery College unless otherwise agreed upon.

3. **Auxiliary Enterprises Receipts**

   The President or the President's designee(s), without prior reference to the Board of Trustees, is authorized to receive and deposit into the appropriate accounts all revenue from the sales of goods and services associated with the College's auxiliary enterprises.

4. **Workforce Development & Continuing Education Receipts**

   Workforce Development & Continuing Education receives specified supporting funds from the State, tuition and fees from students enrolled in noncredit courses offered by Workforce Development & Continuing Education, and fees for services rendered to the community. Adoption of the Operating Budget document each year by the Board of Trustees, with its inclusion of forecast Workforce Development & Continuing Education's revenues, provides the authority for the President or the President's designee(s) to receive and deposit such revenues in the appropriate accounts without further specific Board action.

5. **Parking Fines**

   In accordance with College policy on vehicle registration and parking, the President is authorized to establish methods for collecting fines for parking violations on College property. The President or designee, without prior reference to the Board of Trustees, is authorized to receive these fines and to deposit them in appropriate accounts.

6. **Scholarships, Student Financial Aid, and Other Cash Gifts**

   Without prior reference to the Board of Trustees, the President or the President's designee(s) is authorized to receive and deposit to appropriate accounts those funds which are donated to the College for scholarships, student financial aid, or other authorized purposes provided that any matching funds required have been specifically included in the Board-adopted College Operating Budget document. Where any required matching funds have not been included in the budget document, the procedure in paragraph 2. b. will be followed.

7. **Receipts as Fiscal Agency**

   In numerous instances, Federal or State regulations or laws require that educational institutions serve in effect as fiscal agents for the payment of services rendered by employees of the institution to Federal or State agencies. In such cases, when considered desirable by the President, he/she or a designee(s) is authorized to contract with the governmental agency and to receive and deposit the relevant monies in the appropriate accounts of the College. In other instances, College contracts with
business firms --such as that for student insurance, employee life insurance, and the College's supplementary retirement plan --require that the College collect monies and forward them to the other party to the contract. The President or the President's designee(s) is also authorized to receive these monies and to deposit them in the appropriate accounts.

8. Sale or Lease of Board Property
   a. The sale of Board-owned personal property is governed by College policies and procedures on "Procurement - Equipment Management."
   b. The copyright policy of the Board of Trustees authorizes the President, without prior reference to the Board of Trustees, to receive and to deposit in a College revenue account those funds which accrue to the College:
      (1) From the sale of published or unpublished literary or other materials in which the Board of Trustees owns the copyright rights, or
      (2) From the licensing of others to publish or use such literary or other materials.

III. Expenditures
   A. The College President is authorized to expend the revenues described above for the purposes for which they are intended. Revenues received can only be expended for the purpose intended by the revenue granting authority.
   B. Only the President of the College, as Secretary-Treasurer of the Board of Trustees, the Senior Vice President for Administrative and Fiscal Services, the Vice President of Finance/Chief Financial Officer, and the Associate Chief Business Officer acting for the Vice President of Finance/Chief Financial Officer are authorized to sign checks drawn on College accounts.
   C. Reports
      To apprise the Board of Trustees of the status of the Operating Budget, the College President will provide the Board with the reports indicated below:
      1. Approved budget for revenue and other sources of funding compared to projected revenue through end of fiscal year.
      2. Approved budget for expenditures and transfers compared to projected expenditures and transfers through the end of fiscal year.
      3. Summary of investments outstanding and investment revenue earned year-to-date.
      4. Summary of Workforce Development & Continuing Education's revenues
and expenditures year-to-date.

5. Summary of Auxiliary Services revenues and expenditures (unadjusted for inventories) year-to-date.

6. Sale or Lease of Board Property

The status of receipts from the sale or lease of Board property, including receipt of monies for the sale of licensing of copyrights owned by the Board, will be reported to the Board after the end of each fiscal year.

IV. Capital Fund

A. Movement of Funds

1. There shall be no movement of funds between the capital and any other fund of the College.

2. There shall be no movement of funds between projects authorized in the Capital Budget, except as provided by county fiscal procedures governing such transactions.

3. The Senior Vice President for Administrative and Fiscal Services must approve the movement of funds between cost element account categories (Design, Land, Site, Construction, and Other/F&E) within an authorized project when the funds are $25,000 or more.

4. The Vice President of Facilities and Security (primary account manager for the capital fund) is authorized to approve the movement of funds between cost element account categories (Design, Land, Site, Construction, and Other/F&E) within an authorized project when the funds are less than $25,000.

5. The Vice President of Facilities and Security (primary account manager for the capital fund) may approve the movement of funds within a cost element account category (Design, Land, Site, Construction, and Other/F&E) of an authorized project.

B. Management and Expenditure of Funds

1. General

a. The management and the expenditure of funds within the capital fund shall be governed by the same College policies and procedures which govern the management and expenditure of funds within the operating fund, except as specifically provided in this policy on fiscal control.

b. No money will be spent, or work begun, on any capital project until appropriate state and county approvals are received by the College and necessary contracts are properly executed.
c. Notification will be provided promptly to the county of all state actions to approve or disapprove all or part of College capital projects.

d. The President recommends and the Board of Trustees approves the overall budget for each project in the capital fund. No additional approvals by the Board of Trustees are required in order to expend or use capital funds except as provided for in this policy on fiscal control and in Board policies and procedures regarding procurement.

2. Land

The purchase of land and the expenditure of funds therefore must be approved by the Board of Trustees.

3. Consultant Services

a. Consultant services in the capital fund will be procured subject to Board policies and authorized procedures regarding procurement for professional services.

b. Consultant contract budgets for projects in the capital fund include all necessary funds to complete the project. This includes supplemental design services and reimbursable expenses as defined in the contract documents. Supplemental design services must be authorized in writing by the Vice President of Facilities and Security. Allowable reimbursable expenses are defined in the contract documents and may be approved by an account manager, provided that documentation of the expenses is provided.

c. Consultant fees for changes in scope (items not covered under the supplemental services clause of the consultant contract), which result in the execution of a contract modification agreement, must be approved by the Board of Trustees if they meet or exceed 10% of the original contract award. The Senior Vice President for Administrative and Fiscal Services may approve contract modifications of less than 10% of the original contract award and will discuss any extraordinary requests with the President. Information will be provided to the Board through normal status updates as appropriate.

d. Consultant services will not begin until an appropriate contract is authorized and executed pursuant to this policy.

4. Construction and Procurement

a. Capital construction and the purchase of furniture, equipment, and other products for authorized capital projects is subject to
Board policies and authorized procedures regarding procurement. All formal bidding will be conducted in accordance with Board policy and will be in accord with applicable state law and regulations.

b. No capital construction, or purchases for capital construction, is authorized until appropriate state and county approvals are secured, authorized contracts and purchase orders are executed, and the requirements of all Board policies and approved procedures are met.

C. Changes to a Construction Contract

Each project budget, as approved by the Board of Trustees in the capital fund, includes all construction contingency expenses including change orders. As such, construction change orders do not require Board approval except as noted below.

1. A change request which will alter the scope of the project must be approved by the Board of Trustees and appropriate state and county agencies, as required.

2. Change requests which will increase the cost of a construction project will be processed in accordance with the policies herein and applicable state and county regulations.

3. A change request which will increase the cost of a construction contract after its last approval by the Board of Trustees (including the original contract and any changes previously approved by the Board of Trustees) by $250,000 or more must be approved by the Board of Trustees. The request for approval to the Board must identify all changes approved to the contract since the Board’s last approval, together with the specific change for which approval is requested.

4. A time extension of more than 30 days to a construction contract completion date must be approved by the President (or designee).

5. A time extension of 30 days or less to a general construction contract completion date may be approved by the Vice President of Facilities and Security.

6. All change requests which will increase the cost of a construction contract by less than $250,000 must be authorized by the President or designee. In addition, for every construction contract approved by the Board of Trustees, there must be provided to the Board of Trustees a report that contains the original contract amount, all changes approved by the Board of Trustees as of the date of the report and all changes approved for the construction contract since the last approval of the Board of Trustees (of either the original contract or changes to the construction contract) at least every three months after the last approval of the Board of Trustees.
7. A change required to eliminate an imminent personal or property safety hazard may be approved by the Facilities Office representative on the site. Verbal notice must be given to all responsible administrators immediately following the action of the on-site representative. A written report of this change must be submitted to the Vice President of Facilities and Security within 48 hours after the change is initiated.

D. Reduction of Contractor’s Retained Percentage

A reduction in the percentage of retainage specified by the bid documents may be authorized by the Vice President of Facilities and Security when all of the requirements specified by the bid documents have been fulfilled.

E. Assessment of Liquidated Damages

When such damages are provided for in the contract, liquidated damages may be assessed by the Board of Trustees against a general construction contractor who fails to meet the specified general construction contract completion date and who has not been granted a time extension.

F. Final Payment of Construction Contracts

Final payment to contractors for construction and site improvements projects is authorized by the Vice President of Facilities and Security, subsequent to (a) the receipt of certification from the architect/engineer and/or the Director of Project Management that the contractor has completed the work in accordance with all plans and specifications and that all contract requirements have been met and (b) the receipt of any other certifications required by law.

G. Closing Capital Projects

Projects that are completed and for which the warranty has expired; projects that are completed and for which all funds are depleted; and projects that are funded but are no longer considered essential are omitted from the College’s proposed Capital Improvements Program (CIP) which is submitted to the County in September of each year. Each May, the County Council re-appropriates funds for each individual project contained in the CIP. Those projects which have been omitted from the CIP are closed automatically and the balance in each project account is reduced to zero.

H. Board of Trustees Authorized Signatory for State Reimbursement Requests

The Senior Vice President for Administrative and Fiscal Services is authorized to sign Certificate of Project Expenditure forms (“CPEs”) to request state reimbursement to the county on state-funded capital projects, after certification from the Vice President of Facilities & Security that the local funds have been expended as indicated.

I. Capital Budget Minority Business Utilization Program
1. The College shall establish a minority business utilization program to facilitate the participation of responsible certified minority business enterprises in contracts awarded by the Board of Trustees in accordance with competitive bidding requirements. The procedures shall be structured with the result that minority businesses are awarded a fair share of the awards made through the Capital Budget; however, nothing shall be construed as authorizing awards that are fiscally disadvantageous to the College or that confer any special privilege or status upon any minority business or group or individual representing a minority business.

2. Definitions

For the purposes of this policy, the definitions of "minority business enterprise" and "minority individual" shall be those as stated in sections II-148(a), (3), and (4) of the State Finance and Procurement Article of the Annotated Code of Maryland.

Board Approval: May 21, 1984; February 17, 1987; July 20, 1987; May 16, 1988; March 20, 1989; October 7, 1992; March 16, 1993; February 3, 2001 (changes in administrative and organizational titles only); August 8, 2008 (changes in administrative and organizational titles only), March 19, 2012, September 23, 2013
I. **Budget Control**

The Vice President of Finance/Chief Financial Officer will make adjustments to current fund budgets after County Council review of budgets authorized by Title 16 of the Annotated Code of Maryland and after action by the Board of Trustees.

II. **Account Managers**

A. The Vice President of Finance/Chief Financial Officer shall designate primary account managers. In cases where funding pertains to new programs or to elements of the College which have been reorganized, the Vice President of Finance/Chief Financial Officer will consult with the Senior Vice President for Administrative and Fiscal Services prior to designating the related primary account manager.

B. The primary account managers will be responsible for the solvency of programs from the organization of budgetary requests, as a part of the budget development process, to the consummation of expenditures during the life of the appropriation. Primary account managers examine the incurrence of expenditures permitted under budget allocations so as to maximize use of the funds and avoid overruns. Movement of funds into or out of an account shall be supported by appropriate written justification. All expenditures must be supported by documentary evidence.

C. The primary account managers may recommend to the Vice President of Finance/Chief Financial Officer the designation of secondary account managers to assist in the control and administration of programs except for authorization and approval of movement of money.

D. Secondary account managers will maintain ancillary records and documents on their activities except those which are required to be sent to the Vice President of Finance/Chief Financial Officer for the purpose of making disbursements or maintaining formal accounting records. Secondary account managers will be held accountable for the prudent management of funds allocated to them.

E. All fiscally related activities of primary and secondary account managers will be subject to audit.

III. **Additions or Movement of Positions**

A. Requests for additional regular positions must be acted on by the Board of Trustees.

B. Additional temporary positions may be established by the Senior Vice President for Administrative & Fiscal Services.

C. Final approval for the movement of positions between organizational units must
be approved by the President, in accordance with Board policy.

IV. Movement of Funds; Supplemental or Emergency Appropriations

A. Movement of funds between functions exceeding appropriations authority (transfers) and/or supplemental or emergency appropriations must be approved by the Board of Trustees and the County Council.

B. Funds may be moved within objects or between objects of expenditures only with appropriate approval. Such changes may be requested by an account manager by memorandum to the Chief Budget and Management Studies Officer.

C. The Chief Budget and Management Studies Officer is authorized to approve all requests for movements of funds within objects of expenditure (reassignments) or between objects of expenditure (redistributions) of less than $25,000 and will discuss extraordinary requests with the Senior Vice President for Administrative and Fiscal Services.

D. The Senior Vice President for Administrative and Fiscal Services is authorized to approve all requests for movements of funds within or between objects of expenditure of $25,000 or more and will discuss extraordinary requests with the President.

E. The Senior Vice President for Administrative and Fiscal Services is authorized to approve all requests for movement of funds out of restricted accounts, except that the Chief Budget and Management Studies Officer may approve such requests for the Operating Budget (1110) when (1) the sole purpose of the transaction is to “balance out” an approved cross function transaction, and (2) the net effect of the transaction is zero.

V. Honoraria

A. For the purpose of Montgomery College, an “honorarium” may take one of two forms:

1. When professionals do not donate their services to the College, an "honorarium" is granted as payment for professional service on which custom and/or propriety forbid that a price be set. As a general rule, such an honorarium will amount to less than what the professional could or does earn from performing the same or related services elsewhere on a full-time basis, or from the professional's actual occupation. As such, the honorarium is regarded as a token of gratitude from the College for the service that has been performed.

2. An honorarium may also be defined as payment for a professional non-specialized service for which regular fees have been established. Examples of such honoraria are fees charged by models or accompanists for professional service they have rendered to the College.

B. No one employed by the College, full-time or part-time, may be paid an
honorarium by the College while that person is on the payroll of the College. Under no circumstances will an honorarium be paid to a person who holds or is a candidate for public elected office in the State of Maryland.

C. For the purpose of enriching the total programs of the College, professionals, not in the employ of the College, may be retained, on a one-time, short-term, or intermittent basis as lecturers, speakers, models, artists, accompanists, performers, discussion leaders, exhibitors, actors, or in other professional capacities. Such professionals may be retained for credit programs, noncredit programs, or events or programs which are designed with the primary interest of the community-at-large in focus.

D. Requests for approval of the use of outside professionals are submitted in writing through supervisory channels, including the account manager. The account manager's initial on the request signify the approval of the use of budgeted funds for the purpose stated. In order to effect payment, the account manager provides the Vice President of Finance/Chief Financial Officer with sufficient information about the recipient of the honorarium, in order that payment may be effected.

VI. Petty Cash

A. Purpose, Limitations, and Responsibility

1. The primary purpose of petty cash funds is to have cash on hand to pay small bills and to furnish change.

2. Petty cash funds may be used only when necessary in the conduct of College business and authorized by designated College officials.

3. Primary responsibility for petty cash funds is vested with the faculty members, staff person, or administrator who is given custodianship of the money. That responsibility includes, but is not restricted to, the following:

   a. Location and security of money
   b. Documentation for expenditures
   c. Accuracy of records and accounting for the fund
   d. Reimbursing the College for losses resulting from failure to act as a normal and prudent person in the care and handling of cash

B. Establishment or Increase of a Petty Cash Fund

1. Establishment or increase of a petty cash fund may be requested by completing Section I of Petty Cash Request Form (MC 7.249b) which consists of four copies. Each petty cash form is divided into three (3) sections which are titled, “Request,” “Approval,” and “Account Number.” The requester should forward the original and one copy to the Vice President of Finance/Chief Financial Officer with the remaining copies retained by the requester.

2. After due consideration, the Vice President of Finance/Chief Financial
Officer will approve or disapprove the request. The Director of Auxiliary Services is empowered to authorize the establishment of petty cash funds for Auxiliary Services. Approval is indicated by signing and dating in the designated space in Section II of MC Form 7249b.

3. If approved, the Office of Business Services will schedule issuance of a check to the requester in the amount approved. The "Finance" copy of the form will be retained as documentation for the issuance of the check and the check will be forwarded to the requester along with a copy of the form. The check must be cashed by a commercial bank and not by a campus cashier.

4. If disapproved, the Vice President of Finance/Chief Financial Officer will so note across the face of the form and return the form to the requester.

C. Petty Cash Advances

1. The campus cashier is authorized to advance up to $25.00 in petty cash funds per day to individuals identifiable as College personnel for the purpose of obtaining supplies of a perishable or emergency nature necessary for College programs.

2. College personnel are defined as faculty, staff and administrators who have been authorized by account managers to receive advance money. Student employees are not authorized to receive petty cash advances.

3. Account manager authorization will be in the form of an original signature memorandum to the cashier from the account manager which lists those employees who are authorized to receive petty cash advances. Advances will only be made to those specific individuals whose name appears on such an authorization memorandum.

4. The individual receiving the petty cash advance will present identification and will sign a petty cash receipt, as having received the funds. The individual will indicate on the receipt the purpose for which the funds will be spent. The petty cash receipt will be marked with the notation "Petty Cash Advances."

5. The petty cash recipient will be informed by the cashier that cash and/or receipts totaling the advance must be returned to the cashier within two (2) work days of the advance. Receipts returned must bear an authorized account manager's signature and account number.

6. No additional petty cash advances will be made to individuals having outstanding petty cash advances totaling $50.00 or more.

7. The cashier will promptly notify the Associate Chief Business Officer or Vice President of Finance/Chief Financial Officer of (1) any petty cash advance which remains outstanding for more than two workdays and (2) any perceived abuses of the petty cash advance procedure (e.g. entire amount of petty cash advance is returned in cash with no reasonable explanation).

D. Petty Cash Reimbursements
1. Petty cash reimbursements can be made for a purchase or purchases that do not exceed a single vendor purchase of $50.00 per day.

2. For those individuals identifiable as College personnel, who do not have an individual petty cash fund, reimbursement can be obtained at the campus cashier's office when original receipts, with the account manager's signature and account number are presented.

3. Individual petty cash custodians must maintain original receipts, with the account manager's signature and account number for each purchase. On a regular and timely basis these petty cash purchases will be submitted to the Office of Business Services for reimbursement with the Petty Cash Fund Reconciliation and Reimbursement Request Form (MC 7.249d).

E. Elimination of or Decrease in a Petty Cash Fund (Return of Cash)

1. Elimination of or decrease in a petty cash fund may be effected by depositing all or part of the petty cash with a campus cashier, who will accept the money and issue a receipt for same. It is the responsibility of the custodian of the money to furnish to the campus cashier the correct account number to which the money is to be credited by completing Section I of Return of Petty Cash Form (MC 7.249c).

   Each copy consists of two sections. Section I must be completed by the petty cash custodian and Section II must be completed by the campus cashier.

2. At the time the money is deposited by the petty cash custodian with the campus cashier, the campus cashier will prepare a receipt and complete Section II of MC Form 7.249c.

3. The campus cashier will forward the original and one copy of this form to the Vice President of Finance/Chief Financial Officer and return one copy to the petty cash custodian.

F. Reconciliation

1. The petty cash custodian will reconcile the petty cash funds by completing Section I of Petty Cash Fund Reconciliation and Reimbursement Request Form (MC 7.249d), at the following times:
   a. The last day of each month
   b. When reimbursement is requested
   c. When a petty cash fund increase is requested
   d. When a petty cash fund is decreased or eliminated
   e. When requested by the Vice President of Finance/Chief Financial Officer

2. MC Form 7.249d contains Section I - Reconciliation, and Section II - Reimbursement Request, both of which must be completed by the petty cash custodian. It consists of two copies which are:
   a. Original - Finance
b. Copy #I - Petty Cash Custodian

In all cases, the petty cash custodian retains the "Petty Cash Custodian" copy. The original is forward to the Office of Business Services except when a petty cash fund increase or decrease is requested. In the case of an increase, the original should be attached to MC Form 7.249b and forwarded to the Office of Business Services through the channels specified for MC Form 7.249b. In the case of a decrease, the original should be attached to MC Form 7.249c and forwarded through the channels specified for MC Form 7.249c.

G. Auditing

1. All funds of the College, including petty cash funds, are subject to audit.

2. It is the responsibility of the Chief Budget and Management Studies Officer to periodically audit petty cash funds to ensure: compliance with these procedures; that the money is being used for the purposes for which it was issued; that sufficient and proper documentation is on file for all expenditures; and that the petty cash is in the physical location specified on MC Form 7.249b.

H. Supply of Forms

The three forms needed for the documentation associated with the implementation of these procedures are stocked in the Office of Business Services and may be obtained upon request. The form numbers and titles are:

1. 7.249b - Petty Cash Request
2. 7.249c - Return of Petty Cash
3. 7.249d - Petty Cash Fund Reconciliation and Reimbursement Request

VII. Capital Fund

A. Contracts

In accordance with the policy on fiscal control, Section 61001, IV, Capital Fund, the President has designated the Senior Vice President for Administrative and Fiscal Services as approval authority for specified changes in consultant contracts and general construction contracts.

B. Dollar Level Approval Authority for Release of Final Payment on Construction Projects

1. Capital Construction Projects over $1,000,000: President
   Examples of typical projects - New Buildings and Major Renovations
   GITE Construction
   Fine Arts Renovation
   HTIC Construction

2. Capital Construction Projects between $300,000 to $999,999: Senior
Vice President for Administrative and Fiscal Services

Examples of typical projects -
- Central Plant Distribution System
- Parking Lot Resurfacing (Lots 5-9)
- Inner Campus Lighting Replacement

2. Capital Construction Projects under $300,000: Chief Facilities Officer

Examples of typical projects -
- Roof Replacement
- Greenhouse Construction
- Underground Fuel Tank Replacement
- Concrete Replacement

4. Construction is defined as those projects funded as “construction” or “site improvements” in the County’s Capital Improvements Program.

C. Capital Budget Minority Business Utilization Program

1. The Chief Facilities Officer shall encourage by all reasonable and practical means the participation of minority and disadvantaged businesses in projects funded from the Capital Budget of the College.

2. Contractors, architects, engineers, and other consultants, as well as vendors solicited for Capital Budget planning, design and construction projects shall be encouraged to identify themselves to the College as minority or disadvantaged entities.

3. Facilities Office procurements are processed through the College's Procurement Office and as such fall under the procurement procedures related to procurement from minority businesses, as follows:

   a. The Director of Procurement shall encourage by all reasonable and practical means the participation of minority and disadvantaged businesses in the procurement process of the College.

      1) Minority vendor certification lists shall be maintained in the Procurement Office and shall be updated periodically. These lists will be assembled by the State or a local government agency with resources devoted to the purpose of certifying businesses as minority enterprises.

      2) Certified minority vendors will be solicited for quotes, bids and proposals whenever possible.

      3) Vendors shall be encouraged to identify themselves to the College as minority or disadvantaged entities.

      4) The Director of Procurement shall participate in activities which encourage, stimulate and assist minority businesses in the procurement process at the College. These efforts may be within the College or cooperative...
efforts with other state and local agencies.

b. The Director of Procurement shall attempt to achieve the target of minority business participation of 15 percent of the total dollars awarded through the procurement process.

c. The Director of Procurement shall report to the President annually the total number and value of the College's purchases from minority business enterprises, and the percentage which these purchases represent of the total dollars expended during the fiscal year.

VIII. Financial Data Transactions

The Vice President of Finance/Chief Financial Officer, under the direction of the Senior Vice President for Administrative and Fiscal Services, is responsible for ensuring the privacy, security and confidentiality of personally identifiable financial records and information related to financial transactions.

A. The Vice President of Finance/Chief Financial Officer shall implement a program to protect the privacy, security and confidentiality of personally identifiable information related to financial transactions which is compliant with all state and federal regulations and laws, as well as to prevent, detect and mitigate identity theft related to financial transactions.

1. The program and accompanying procedures or standards shall cover all personally identifiable financial records and information regardless of where it resides as well as the personally identifiable information associated with covered accounts as defined by the Fair and Accurate Credit Transactions Act (FACTA) of 2003. This will include the creation of a "Montgomery College Identity Theft Program" which will meet the requirements of FACTA, if applicable.

2. A program and procedures or standards shall be established which implements and maintains information security protecting the integrity of all records created and maintained by the College as a “financial institution” as defined under Graham Leach Bliley Act (GLBA).

3. Credit card processing procedures or standards shall be implemented to protect the fiscal integrity of the College that comply with relevant laws and regulations, adhere to best business practices, as well as meeting requirements set for the in the Payment Card Industry Data Security Standards (PCI DSS).

4. The program shall include collaborative input and resources from the Office of Information Technology to assure technological and regulatory compliance as necessary, including but not limited to creation of standards, risk assessment, information security and assisting departments in complying with the program.
Administrative Approval: May 21, 1984; September 22, 1989; September 26, 1989; April 26, 1991; March 31, 1993; September 7, 1993; June 28, 2000; July 29, 2002; January 14, 2003; August 8, 2008 (changes in administrative and organizational titles only); February 25, 2011; September 23, 2013 (changes in administrative and organizational titles only).