1.1 Workday

Beginning fiscal year 2015-2016, South Orange County Community College District (SOCCCD) transitioned its financial system from Escape to Workday. Workday is a cloud-based financial management and human capital management enterprise resource planning software. The Financial Management component includes accounting and finance, expense management, procurement and fixed assets. Human Capital Management includes human resource management, benefits, recruitment, compensation and time tracking. Grant Management includes accounting and reporting of grant funds. Workday is accessible from both desktop and mobile devices.

Workday financial management went live on July 1, 2016. What was formerly known as Chart of Accounts is now called Financial Data Model (FDM) in Workday. One significant change is the use of "worktags". Worktags are Workday's method of capturing and reporting financial information. It replaced the account codes and account strings in Escape. Workday processes are regularly updated. Users are advised to make use of the training materials provided online.

1.2 Training

Workday training materials, including manuals can be accessed at the Training Site (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Pages/Home.aspx). This can be found under the Workday Project Implementation Homepage (https://sharepoint.socccd.edu/bs/WDImplementation/default.aspx) of the   SOCCCD Business Services SharePoint.   Tutorials and job aids are provided to guide users with steps, tips and techniques. Periodic updates are sent district-wide via email. The Workday Training and Communications page contains all communication updates, Worday Review Session notes and Frequently Asked Questions.

1.3 Access

District Fiscal Services administers and grants access to Workday.   Level of security access is associated with employee's role and responsibilities. To request access or change access for existing employees, the supervisor will need to send an email to the Executive Director of District Fiscal Services, specifying roles and access to be added or changed.

If an employee changes job positions or move to another department, security access may change.

Workday also allows users to delegate certain processes.   Please refer to the Workday 101 Basic Course Manual (/casm/index.php/welcome/editContent/3https:/sharepoint.socccd.edu/bs/WDImplementation/mwps/Training%20Videos%20and%20Documents/Getting%20Started%20Cou to get started.   The SharePoint address of the Workday Project Implementation Homepage is   https://sharepoint.socccd.edu/bs/WDImplementation (https://sharepoint.socccd.edu/bs/WDImplementation).

1.4 Worktags

The account structure in Workday is a combination of worktags. Worktags replaced the account codes that make up the account strings in Escape. Worktags need to be assigned to line items in order to generate financial information and documents like journal entries, purchase requisitions and orders, job requests, expense reports, ledger summary and other reports. Since it essentially functions like a coding mechanism, worktags allow users to customize reports.

While some terminologies have changed, the accounting approach remains the same. The account structure is in accordance with the Budget and Accounting Manual of the California Community Colleges Chancellor's Office. There are four basic worktags: fund, taxonomy of programs (TOPS), cost center and object code. Supplementary worktags are used to further categorize financial information.

Other references such as Employee, Company, Time Period, Ledger account, Supplier, Journal, Journal Source, and other business documents can be used as additional worktags.

A Worktag Guide (/casm/index.php/welcome/editContent/3https:/sharepoint.socccd.edu/bs/WDImplementation/mwps/Pages/Accounting.aspx) is available at the Accounting page of the Workday Training Site (/casm/index.php/welcome/editContent/3https:/sharepoint.socccd.edu/bs/WDImplementation/mwps/Pages/Home.aspx).

1.5 Financial Data Model (also known as Chart of Accounts)

In Workday, Chart of Accounts are referred to as Financial Data Model (FDM).   The FDM list can be generated from Workday by typing "list" in the search box. Search results will show the listing of reports that are currently available.   New reports are created from time to time. Accounts can be added, deleted or renamed as needed, thus the lists are not permanent.

Example of lists are *Funding Source List*,   *Account Set List* , *Program List*, *Cost Center List* , *Revenue Category List* and *Spend Category List* . Lists for *Supplier Contracts, Purchase Orders,* and *Requisition List in Progress* are also available.   The list closest to a Chart of Accounts is the *Account Set List.*   An example of the Accounts Set List is on Appendix A.

1.6 Request for New Worktags

New worktags for cost centers, programs, and funding sources can be created by sending a request to the Executive Director of District Fiscal Services.

The Saddleback College Grants Office handles creation of worktags pertaining to grant programs.

1.7 State Apportionment and Basic Aid Funds

Sources of college revenues include property taxes/basic aid, state apportionments, grants, fees and other local income.

State apportionments are appropriations received from the California Community Colleges Chancellor's Office. Funding is based on several factors including revenue per full time equivalent student (FTES) and property taxes. Property taxes in excess of the base revenue calculation is referred to as basic aid funds.

SOCCCD is primarily funded by basic aid. It does not receive state apportionment for the base calculation because it receives revenues from enrollment fees and property taxes that are more than the guaranteed limit set by the state.

The College does receive state apportionments for categorical programs like Student Support Service, California Work Opportunity and Responsibility for Kids (CalWORKS), Extended Opportunity Programs and Services (EOPS), Disabled Student Programs and Services (DSPS) to name a few. Annual allocation is based on statistical information and prior year performance.

1.8 Local Income

Definition of Local Income

Local income refers to revenues collected by the college for various items such as theater ticket sales, sale of catalogs, student material fees, duplicating fees and bookstore sales. It is sometimes referred to as dedicated revenue.

Accounting for Local Income

Each fiscal year during budget development, the College Fiscal Office in coordination with the respective divisions prepares a forecast of local income based on prior year actual collections. An expenditure budget is then created based on estimated revenues. After spring registration in March, actual receipts together with anticipated income through the end of the fiscal year is calculated. Revenues to be estimated through the year end includes eight-week classes, bookstore sales, ticket sales, and other sources of local income. The results of this new estimate is then compared to the original estimate. Budgets are adjusted to reflect the updated revenue projections.

Budgeted local income has corresponding expenditure budget items allocated to the division generating the income. Most local income is budgeted in accounts with spend categories ending with a number 4. Examples are SP4344 (supplies), SP4584 (duplicating), SP5174 (guest speaker), and SP5814 (contract services).

For material fees collected from students, the College is required to completely spend these fees on materials that are used, consumed or kept by students in accordance with State guidelines. A separate section on Student Fees is on Section 1.9.

Budget Transfers

Depending on the type of local income, the related fee-based expenditure budget may or may not be transferred to other non-fee-based expenditure budgets. For example, expenditure budgets related to proceeds from ticket sales can be expended on any items relating to the Theater, and can be transferred to different spend categories within the Theatre Division. Expenditure budgets based on proceeds from student fees, however, can only be expended on items for which the income was collected. Funds collected as student fees cannot be transferred into any other account, unless the purpose is to purchase items to give to the students. Material fees collected from students must be expended on items that become the personal property of the students. A separate section on Student Fees is on Section 1.9.

Carry-Over of Unspent Local Income

At the end of the fiscal year, unspent funds generated by local income will not be carried over to the following year. These funds will roll to the ending fund balance of the College.

Student fees should all be expended on materials for students in accordance with State guidelines. In the event that income is not sufficient to cover for expenditures related to these materials, then the fee level should be reviewed and possibly increased. If the division is not expending all the income received on materials for students, the fee level should also be reviewed and possibly reduced.

1.9 Student Fees

As permitted by law, students are assessed enrollment fees at the time of enrollment. Students may also be charged health fees, material fees, parking fees, and non-resident application fees. The amount of fees are published in the College catalogs and electronic publications.

A Student Fee Handbook is provided by the California Community Colleges Chancellor's Office (CCCCO) to serve as guidelines on fee assessments and restrictions. The Handbook is contained in Appendix B. It can also be found at http://extranet.cccco.edu/Divisions/Legal.aspx (http://extranet.cccco.edu/Divisions/Legal.aspx).

1.10 Grants

College revenues include grant funds awarded by federal, state and local agencies. Grants may be competitive or categorical in nature. The College has a Grants Office that handles the grant application process in partnership with the sponsoring division. Details of the grant application and oversight procedures are available in the **Grants and Contracts Homepage (http://www.saddleback.edu/grants).**

Grants Accounting

Accounting of grants is subject to the rules and regulations of the respective agencies funding the grants. Terms and conditions are spelled out in award agreements or grant contracts. Grant contracts require the approval of the Chancellor or his/her designee. Certain grants require official certification from District Fiscal Services for periodic reports. If periodic reports or invoices do not require certification from District Fiscal Services, such reports or invoices should be submitted to the College Fiscal Director for review and/or approval.

1.11 Receipt of Funds

Procedures for collecting cash, checks and credit card payments have changed since the implementation of Workday. For guidance on cash receipts procedures, please see the Record Cash Sales/Deposits Activity Guide (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Training%20Videos%20and%20Documents/Record%20Cash%20Sales%20Activity%20Guide.pdf) in the Training Site of SOCCCD's Business Services/Workday Project Implementation.

Procedures for Receiving Funds

Whenever possible, all payments should be processed through the College Fiscal Office or the District Business Office. In the event that the monies being collected cannot be received through either of these offices, the following procedures should be followed:

1. Obtain a receipt book from the District Business Services Office.

2. When cash is received, count the cash twice to verify the amount received.

3. Complete a receipt for each payment (unless the payment is a check received via U.S. mail or other common carrier. In this case, see section "Depositing Cash and Checks.") Ensure the following information is included:

   a. Date: Date funds were received.
   b. Received From: Name of the person, company, department or division funds were received from.
   c. Amount: Dollar amount received. Next to the amount, write down the payor's name and check number, if applicable.
   d. Purpose: Describe what the funds were received for (e.g. July 2013 Advertising Revenue) and the account number where the funds should be deposited.
   e. Department/Division: The department and division in which you work.
    f. Signature: Signature of the person accepting the funds on behalf of the district/college.

4. Disburse the copies of the receipt as follows:

   a. Original (white) is given to the person, company, or division/department from which the funds were received.
   b. Second and third copies (yellow and pink) are attached to the cash or check and sent to District Business Services in a locked cash bag for deposit within five business days. If you are also preparing a deposit advice form, please see the section "Depositing Cash and Checks." Campus Police should be used to deliver cash and checks from the College location to District Business Services.
   c. Fourth copy (goldenrod) is kept by the Division/Department that prepared the receipt.
   d. Hard copy is to remain in the receipt book.

5. If a mistake is made preparing the receipt, mark all copies void. Send the voided yellow and pink copies to District Business Services and staple the voided original and goldenrod copies to the hard copy in the receipt book.

6. When all the receipts in the book have been issued, return the book to District Business Services. All receipt books issued to you, whether used or not, must be returned to District Business Services by the end of each fiscal year.

Procedures for Maintaining a Log

If money is being collected from a group of people at one time, it may be more efficient to use a log to account for the income than to write individual receipts. Use the following procedures when utilizing a log sheet:

   1. Obtain a money collection log sheet and a receipt book from District Business Services.

   2. Complete all the information requested at the top of the log sheet. Print and sign your name in the 'processed by' section.

   3. Enter the date received, the name of the person who is making the payment, and the amount paid. Check the amount received before entering it onto the log sheet.

   4. Total the log sheet(s) and complete one receipt for all income collected.

   5. Send the money collected, the log sheet(s), deposit advice and the receipt to District Business Services for processing.

   6. In general, if a receipt is issued for an individual, do not include those funds on the log sheet.

Depositing Cash and Checks

All cash and checks should be delivered to District Business Services no later than five business days from receipt of funds. Cash and checks must not be left in offices, desk drawers, filing cabinets, or any other unsecured area overnight. If necessary, the College Fiscal Office has a safe and can hold cash and checks overnight, but the funds must be delivered in a locked cash bag.

To deposit money with District Business Services, use the following procedures:

1. Obtain 'Deposit Advice' forms from District Business Services.

2. Complete the 'Deposit Advice' form as follows:

    a. <u>Department Name</u>: Enter the applicable department/division.

    b. <u>Processed By</u>: Enter name of person preparing the deposit.

    c. <u>Date</u>: Enter current date.

    d. <u>First "Check One" block</u>: Check "Saddleback" block.

    e. <u>Second "Check One" block</u>: Check the fund into which the money is to be deposited.

    f. <u>Receipt Numbers Block</u>: Enter the beginning and ending receipt numbers accompanying the deposit. Note: For checks received via U.S. mail or other common carrier, a receipt is not necessary. In this case, write "check copy attached" above the receipt number block and attach a copy of the check(s).

    g. <u>Account Number(s)</u>: Enter the account number(s) into which the funds are to be deposited.

    h. <u>Description</u>: Enter a description of the deposit and list the payor's name and check number.

    i. <u>Amount</u>: Enter the total amount to be deposited in each account.

3. Disburse copies of 'Deposit Advice' forms as follows:

    a. The original (white) and second (yellow) copies are sent to District Business Services, along with the funds collected and applicable receipt and/or check copies.

    b. The third (pink) copy is kept by the originator until acknowledgement (the yellow copy of deposit advice) is returned by District to the originator.

    c. All copies of any voided 'Deposit Advice' forms are to be marked as such, and returned to District Business Service.

1.12 Change Fund and Petty Cash Fund

Change Fund

If a division or department collects funds for the college and needs to have a change on hand for business use, a change fund may be requested from District Accounting Office.

<u>Guidelines</u>

1) The request for a change fund must be submitted to District Accounting Office by using a Request for Change Fund, Form FS 70 (http://doclibrary.socccd.edu:2656/Documents/Business%20Services/Accounting/Forms/FS%2070%20Change%20Fund.pdf). This Form is available at the Accounting Homepage of SOCCCD's Business Services SharePoint.

2) The Revolving Fund check will be issued to the authorized custodian. The authorized custodian will be required to submit a periodic accounting of the fund.

3) Change fund shall be maintained at the amount authorized. Shortages will be the personal responsibility of the authorized custodian.

4) Change funds may be increased, decreased or closed out at any time during the fiscal year. Only the custodian is authorized to request this revision.

5) The District Accounting office can replenish change fund to provide custodian with lower denomination of bills and coins throughout the year as needed.

6) The District Accounting Office may perform periodic audits on change fund to ensure completeness and accuracy of fund.

7) The change fund shall not be used as petty cash fund, nor will it be used to reimburse an individual.

Petty Cash Fund

Saddleback College does not maintain a Petty Cash Fund. All purchases must follow regular procurement procedures.

1.13 Purchasing Guidelines

District Purchasing Department

The District Purchasing Department handles the procurement of all supplies and equipment districtwide. All purchases are subject to federal and state regulations, District Board policies and Administrative regulations. Purchases funded by grants funds are subject to grant restrictions.

Procurement Process in Workday

Procurement is administered through Workday. The Procurement and Assets Course Manual (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Training%20Videos%20and%20Documents/Procurement%20and%20Assets%20Course%20Manual.pdf) covers guidelines and procedures in creating purchase requisitions and supplier contracts. The Expenses Course Manual (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Training%20Videos%20and%20Documents/Expenses%20Course%20Manual.pdf) covers purchase reimbursements, monthly mileage, and travel expenses. These course manuals are available in the Workday Implementation Page of the SOCCCD Business Services SharePoint.

Budget Checks

Workday runs a budget check before purchase requisitions, purchase orders and supplier contracts can proceed. A budget fail will occur if there is no budget, or if budget is insufficient to cover the request. In case of a budget fail, a budget amendment needs to be submitted to complete the order. The Purchase Order Budget Failures Activity Guide (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Training%20Videos%20and%20Documents/PO%20Budget%20Check%20Failures.pdf) covers guidelines and steps to remedy budget failures.

Bid Threshold Limits

The State Chancellor's Office requires community college districts to advertise, competitively bid and award contracts for all purchases involving equipment, materials, supplies or services beyond a threshold limit. For 2016, the bid limit is $87,800. The bid limit changes every year to adjust for inflation. The Board of Trustees awards the contracts.

All purchases of independent contractor services for public projects, i.e. construction work, that are at least $15,000 must be advertised. A competitive bid is required and the Board of Trustees awards the contracts.

All purchases of consultant services require a formal contract.

Exceptions to the Bidding Regulations

Bidding may not be required for the following:

- Educational materials such as textbooks, library books, films, tests, and software
- Perishable food items and seasonal commodities needed for the operation of a cafeteria
- Surplus federal property
- Energy service contracts
- Facility financing and ground leases
- Purchase through other public agencies
- Emergency repair contracts. Repairs, alteration, or improvements necessary to permit the continuance of existing classes, or to avoid danger to life or property. This requires unanimous vote of the Board.
- Special services, advice and consultancy in matters related to financial, economic, accounting, engineering, legal, and administrative functions, and for the issuance and preparation of payroll checks.

In cases where compliance with competitive bidding requirements are not required, it is necessary to demonstrate that selection is based on best value criteria for the District. This may involve a formal request for proposals. It is best to coordinate efforts with Purchasing Department prior to submission of requisition to facilitate the process.

Online Purchases

Purchasing materials and services through the internet is not allowed, unless authorization is granted in advance from the Purchasing Department. The exception is on purchases from Office Max, or when vendors do not accept purchase orders. If credit card guidelines are met, a credit card may be used for emergency online purchases.

Workday has a punchout mechanism wherein purchases can be made directly from a vendor's online catalogue. Punchout is currently available for purchases at Amazon, Graybar, B&H, McKesson and Dick Blick. Purchasing Department is working to expand Workday's Punchout suppliers.

Emergency Purchases

All emergency purchases during business hours must be handled through Purchasing Department. When the urgency occurs after business hours, purchase may proceed. As soon as business hours resume, Purchasing Department should be informed of the emergency purchase.

Visit the **Purchasing Homepage (https://sharepoint.socccd.edu/bs/purch/default.aspx)** for updates on purchasing procedures and regulations.

1.14 Administrative Supplies

Administrative supplies can be ordered from the SOCCCD Warehouse by using the Stores Requisition process in Workday. The warehouse only stocks paper products such as letterhead, paper, timecards and envelopes. The warehouse catalogue can be viewed in Workday.   Instructions are available in the Requisitions and POs Manual. (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Pages/RequisitionsandPOs.aspx)

Purchase of Supplies from Office Max

Administrative supplies that are not available at the warehouse can be ordered online from Office Max. To avoid shipping charges, be sure to order at least $50.00 worth of supplies.

Procedures:

1. For first time users, request a Customer Log In and Password from District Purchasing Office.
2. Check the budget balance of the supplies account to determine sufficiency of funds. If funds are available, go to the next step. If funds are not available, submit a budget amendment to increase budget. See Section 1.24 for Budget Amendments instructions. Once the budget transfer has been posted, continue to next step.
3. Go to www.officemaxsolutions.com (http://www.officemaxsolutions.com/). Log in with Username and Password, and list down the product codes for needed items.
4. At the next screen under 'Shopping', click on the "Create New Office Product Order" option. From dropdown menu, indicate the *department account number, department name, requester's name, and building and room number*.
5. Click 'Continue' and type in the product code and quantity, then click "Add to Cart".
6. Proceed to check out and print out the page.
7. The printed OfficeMax order will show the total cost, including tax. Send the printed OfficeMax order to the Division Dean, Director or Administrator for approval. After signature has been obtained, go back to the OfficeMax site. After logging in, select the "Submit order" option. This action will complete the ordering process with OfficeMax.
8. Send the signed OfficeMax order to District Purchasing Office. The order will not be completed until the approved OfficeMax order is received by Purchasing Office. Keep for reference a copy of the signed OfficeMax orders.
9. An order confirmation email will be sent to the requester after the order has been completed. It is recommended that copy of confirmation email be attached to file copy of the OfficeMax order.
10. OfficeMax orders are generally placed once per week on Fridays. Goods are delivered the following week.

1.15 Ergonomics Material and Equipment

The SOCCCD Risk Management Office manages the ergonomics program. However, the College Administrative Services (CAS) Office handles requests for ergonomic chairs. Please refer to the CAS Homepage for the Ergonomic Chair and Equipment Request Procedures (http://www.saddleback.edu/uploads/vpcas/documents/saddleback_college_ergonomics_procedures.pdf), the Ergonomic Chair Request Form and Ergonomics Guide

for Administrators and Managers (http://www.saddleback.edu/uploads/vpcas/documents/saddleback_college_ergonomics_guide_for_administrators.pdf). The discussion below covers ordering of other ergonomic materials. Questions regarding other aspects of this program should be directed to the District Risk Management Office.

Ordering Ergonomics Material

Below are the steps in ordering ergonomics material/equipment:

1. The staff member will fill out an 'Ergonomics Assistance Request' form and turn it in to his/her Administrator/Manager.
2. Once the request has been approved by the employee's Administrator/Manager, the request should be sent to Risk Management for review and approval.
3. Once the request is reviewed and approved by the Administrator/Manager and Risk Management and it is determined that material needs to be ordered, the division or department will initiate a requisition using the following guidelines:

   For ergonomic materials **not** available through Office Max:

   Initiate a requisition in Workday. Contact the College Fiscal Office and request an account number/worktag to use for the order. Do not use funds from staff member's division budget. Be prepared to supply the Fiscal Office with a copy of the approved Ergonomics request.

   Enter the worktags provided and submit the requisition for approval.

   For ergonomics material/equipment available through Office Max:

   The Divisions do not have access to the Office Max account used for ergonomic material and equipment. Contact the College Fiscal Office with the item specifications.

1.16 Conferences and Travel

Employee Travel

Employees are allowed to participate in off-campus conferences, meetings and similar activities that relates to district or college business. Conference attendance and travel expenses must be approved prior to the trip.

Spend Authorization

Approval to attend conferences and to pay for travel related expenses is obtained through a Spend Authorization in Workday. The procedures for creating spend authorizations and reimbursements are discussed in Chapter 3 (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Training%20Videos%20and%20Documents/Expenses%20Course%20Manual.pdf) of the Expenses Course Manual (http://doclibrary.socccd.edu:2656/Documents/Business%20Services/Office%20of%20the%20Deputy%20Chancellor/BP-3605-AR-Employee%20Travel-Payment%20of%20Employee%20Travel%20Expenses.pdf). All expenses related to travel can be claimed by completing an expense report. Claims must be submitted within 60 days after travel has occurred, but not later than June 15 of each fiscal year. Exceptions must be requested in writing noting the justification.

Reimbursement Claim for Travel

1. Transportation other than car, i.e., airline, train, bus

   - Must be reimbursed for the most economical mode of transportation.
   - Reimbursement for travel by private vehicle must not exceed the cost of an airline ticket plus related transportation expenses. Documentation should be provided from airline website showing cost of airline ticket if traveler chose to drive instead of fly.
   - No reimbursement for early bird check-in fees or preferred seating arrangements.

2. Automobile Mileage

   - Mileage shall be calculated as the distance from the employee's regular work location to the off-campus business destination and back.
   - Mileage rate is based on prevailing IRS standard rate, and may change every calendar year.

3. Lodging

   - Must submit receipt of itemized lodging cost at single occupancy rate. A copy of a credit card statement showing payment made to hotel is not sufficient if it does not show itemized charges.

4. Registration Fees

   - Must provide documents supporting the cost of registration fee.

5. Meal Allowance

   - Must provide agenda or schedule of events.
   - Allowances shall not exceed $55 per day (Breakfast $12; Lunch $16; Dinner $27). No receipts are required.
   - Reimbursement provided for reasonable and customary periods.
   - No reimbursement for meals provided in the cost of the conference whether eaten or not.

6. Miscellaneous Receipts

   - Must provide original, paid receipts for taxi cabs, shuttles, parking, toll fees, internet access and business center expenses, if incurred in conducting district/college business.
   - No reimbursement will be made for alcoholic beverages under any circumstances.
   - Individual membership dues are not reimbursable unless required in the cost of the conference registration.
   - Normal miscellaneous expenses under $10 do not require receipts.

Prepayment and Travel Advance

Employees requesting prepayments must complete a spend authorization for prepaid expenses at least 15 days prior to payment. Prepayment will be allowed for travel, lodging and registration fees, to be paid directly to the vendor.

In lieu of prepaid travel expenses, employees may request an advance for registration, hotel, airfare, and transportation expenses by completing a spend authorization, and checking the cash advance box. The request must be completed at least 15 days before travel occurs. An Expense Report with all the required receipts must be submitted after travel or funds will be owed back to District.

Mileage

Mileage shall be reimbursed to employees for using personal vehicles for work-related reasons like attending off-campus meetings or running errands for college business. Employees who receive mileage allowance cannot claim mileage for travel within Orange County. Mileage shall be calculated as the distance from employee's regular work location to the off-campus business destination and back. Rate is based on prevailing IRS standard rate.   Mileage claims are to be submitted monthly by completing an expense report at the end of each month.

Board Policy No. 3605 covers regulations employee travel.

1.17 Guest Speakers and Refreshments at College Functions

Guest Speakers

Prior to invitation, a Speaker Form must be completed and submitted to the College President for approval at least five days prior to event. The Form is available at the Division Office Forms (https://www.saddleback.edu/forms/division-office-forms) page of the College website. The Board of Trustees will be notified of the speakers who were invited to the college since the last board meeting.

Reimbursements of travel expenses and payments of honorarium need board approval prior to payment. The college representative who invited the speaker is not authorized to bind the Board of Trustees. A contract is required before any payments can be made. The college representative is responsible to make sure that the speaker fills out and submits a W-9 form to District Accounting prior to payment. The W-9 Form is available at the Accounting Forms/Policy & Procedures (https://sharepoint.socccd.edu/bs/acct/Lists/Accounting%20Forms/AllItems.aspx) page of the SOCCCD Business Services SharePoint.

Once the W-9 and contract with speaker are in place, a supplier contract may be created in Workday. A supplier contract needs to be completed prior to event to ensure timely approval and payment.

Board Policy No. 6140 covers regulations on college speakers.

Refreshments at College Functions

Refreshments and meals may be served and paid for by District funds at authorized college activities.

Guidelines

1. Prior approval by appropriate administrator is required before completing purchase of meals and refreshments.
2. Expenditures must be prudent, reasonable and should meet all legal and District requirements for expenditure of District funds.
3. Events must be open to the public or meetings are with outside representatives.
4. Allowable events include activities that involve Board, district-wide or college-wide meetings with college and/or district services staff, but excludes regular division, departmental or committee meetings.
5. Refreshments and meals may be served on other meetings like workshops, trainings and retreats if such activities are greater than <u>four</u> hours, or if it interferes with normal meal and break periods and is of a length of <u>three</u> hours or more.
6. Requisitions for these expenses must use spend code 5271 and include a description of the event, date, time, location, and attendees. If exceptional circumstances arise, the request for an exception should be made to the Executive Director of Fiscal Services for approval in advance.

Board Policy No. 3520 covers regulations on refreshments and meals at District functions.

1.18 Contracts

The District Purchasing Department administers contract awards.   General forms and guidelines are available in the Purchasing Homepage (https://sharepoint.socccd.edu/bs/purch/default.aspx) of SOCCCD's Business Services SharePoint.

All purchases of consultant services require a formal contract. Refer to Chapter 3.7 of this Guide for procedures on contracts with independent contractors. Chapter 3.8 covers service contracts in Saddleback College.

The following spend codes always require contracts or agreements: 5153 - Consultant;, 5173 - Guest Speakers, 5620 - Rents/Leases, 5811 Contract Services.

Board Policy No. 3200 covers regulations on purchasing and contracts.

1.19 Use of College Credit Card

The College Fiscal Office has a charge card that can be used by college departments to pay for urgent necessities, or when other payment options are not available.

Guidelines

- The purchase must be for an immediate necessity.
- Card may be used if supplier will not take purchase order nor accept check payments.
- The purchase amount must be $200 or less.
- Prior approval from College Fiscal Office is required before submitting requisition. Email requests are accepted.
- Credit card users must be permanent employees. Non-bargaining unit employees are not authorized.
- The credit card must be returned to College Fiscal Office on the same day of use.

Please refer to the Saddleback College Credit Card Procedures (https://myprofile.saddleback.edu/personal/sweidenkopf/_layouts/15/WopiFrame.asphttp://www.saddleback.edu/uploads/fiscal/saddleback_college_credit_card_procedures. the Fiscal Homepage for step by step procedures in using the college credit card.

1.20 Payroll

The District Payroll Department (http://www.socccd.edu/businessservices/bs_payroll.html) oversees the payroll processing for Saddleback College, including payments and reporting of payroll taxes and retirement, maintenance of leave balances, unemployment reporting,   worker's compensation payment adjustments and verification of employment, retirement counseling and issuance of W-2 tax forms.

Each employee is assigned a payroll specialist based on the alphabetical order of the individual's last name. Visit the Payroll Homepage (https://sharepoint.socccd.edu/bs/payroll/default.aspx) of SOCCCD's Business Services SharePoint for further details. While Payroll Department initiates the payroll process, salary payments are administered through the Orange County Department of Education. Copies of pay stubs and W-2 statements are available at the Employee Information System (EIS) website at https://employee.ocde.us (https://employee.ocde.us/).

1.21 Budget Development

The approach to developing an annual budget in Saddleback College supports both district-wide and college-wide strategic plans and directions. Budget assumptions address the goals and commitments set collaboratively by committees in shared governance.

Since the District is primarily funded by basic aid funds, a basic aid allocation process is in place. The process follows an agreed upon timeline to complete the Tentative Budget, and the Proposed Final Budget for public hearing before the Board of Trustees adopts the final budget.

The College Fiscal Office takes the lead in finalizing the college budget in coordination with the cost center teams. Revenues and expenditures estimates are entered in a budget development software and uploaded to the District Operating Budget plan structure in Workday.

1.22 Budget Calendar

Each year, District Fiscal Services sends out a Budget Calendar to serve as guide in the budget development process. This calendar and related guidelines can be found at the Accounting Homepage (https://sharepoint.socccd.edu/bs/acct/default.aspx) of SOCCCD's Business Services SharePoint.

Below is a typical cycle to complete the budget process.

January

- Update personnel files. Salary schedules, positions, step and column.
- Governor's January budget issued.
- Potential mid-year cuts for current fiscal year.
- Work of District Resource Allocation Committee (DRAC) begins.

February

- Load positions/salaries into budget development. Do thorough review and clean up any errors. Add/change positions.
- Budget development calendar issued.
- Work of DRAC in process.

March

- After local income adjusted for current year, local income budgeted in budget development for following fiscal year.
- Send budget worksheets and allocations to divisions for Division Dean, Director or Administrator to work on.
- Make initial estimates of fringe benefit and health and welfare rates.
- Work of DRAC in process.

April

- Receive allocation input back from divisions.
- Input tentative budget. Continual revisions based on changes in personnel, benefit rates, utility rates/use, and income allocations.
- Estimate restricted program income
- Estimate local program income.
- Ensure all plans for college are funded.
- Faculty hiring in process.
- Equipment and Technology Committees complete work for allocation of funds on July 1.
- Work of DRAC in process.

May

- Early May Tentative Budget must be in system to start working on the Board agenda budget item for June.
- Budget Development system is closed to changes while the budget is prepared for the Board.
- Equipment and Technology allocations added to Tentative Budget for expenditure July 1.
- Late May: May revise is issued by Governor.
- Faculty hiring in process.
- Work of DRAC in process.

June

- Tentative Budget presented to the Board of Trustees.
- System is re-opened after Board approval to start revising Tentative Budget to create Final Budget.
- Continual revisions based on changes in personnel, benefit rates, utility rates/use, and income allocations.
- Ongoing input from divisions for adjustments.
- Conference Committees at State finalizing State budget.
- State budget should be completed by July 1.
- Faculty hiring in process.
- Work of DRAC in process.

July

- Tentative budget allocations are available in system for expenditure.
- Equipment and technology allocations available for expenditure.
- Ongoing input of Division adjustments.
- Final budget completed by late July, adjustments can no longer be made. Divisions must wait until the Final Budget is Board approved and loaded into system before budget amendments can be completed.
- Update to the extent possible based on available information.

- Should have final budget allocation from District to balance budget.
- Conference Committees finalizing State budget.
- Usually State budget passed in July; however, specifics as to what this means for our college/district not available.

August

- Often receive final District/College allocation after the final budget input deadline.
- Final Budget presented to the Board of Trustees.
- Final Budget loaded into system and budget amendments can be made.

September

- Attend State budget workshops to ascertain District allocations based upon Final State Budget.
- Sometimes make immediate budget revisions.
- Look at growth; revise OSH budget if necessary.
- College Budget Committee meets to look at allocations and set agenda for year.
- Full time faculty hiring numbers looked at based on State faculty obligation numbers for following fiscal year.

October

- Receive final allocation for State categorical programs, make budget revisions.
- Final number of faculty to hire determined and Board agenda developed.

November

- Continue to make revisions to categorical programs if the State is late with allocations (happens often).
- Budget committee makes allocations to equipment and technology committees for following fiscal year based on estimated current year income.

December

- Start projecting ending balances.
- Prepare DRAC for next budget cycle based on prior year experience.
- Start looking at trends for following year's budget.
- Equipment and Technology Committees meet between now and April to determine how funds will be allocated.

1.23 Year End Closing

The District's fiscal year end is June 30. Each year as fiscal year end approaches, there are a number of financial procedures that the College needs to accomplish to meet the District's year-end closing, auditing and financial reporting schedules. The closing process is expected to be completed by the end of July.

District Fiscal Services sends out a Year End Closing Calendar to guide the process. The calendar is available at the Accounting Homepage (https://sharepoint.socccd.edu/bs/acct/default.aspx) of SOCCCD's Business Services SharePoint.

1.24 Budget Amendments

Budget Amendments

After adoption of the final budget, departments may proceed to submit budget transfers to increase, decrease, delete or add new budget line items. This can be done by initiating a budget amendment in Workday. Amounts must be rounded off to the nearest dollar. A job aid on Budget Amendments (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Training%20Videos%20and%20Documents/Budget%20Amendments.pdf) is available at the Workday Project Implementation Training Page (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Pages/Home.aspx) of the SOCCCD Business Services SharePoint.

Approval of Budget Amendments

The approval process for budget amendments in Workday are driven by the budget worktags. Cost center managers are responsible for the review and approval of amendments. If budget transfers relate to grants, approval by grant reviewers and grant officials are required. Final approval is done by District Fiscal Services.

Budget Transfers between Accounts in the General Fund Division Budget

 Divisions can only transfer between 'discretionary accounts'. That is, accounts for non-contract salaries (2300's, 2400's, 1300's and 1400's), supplies and materials (4000's), services (5000's), and capital outlay (6000's). Contract salaries and benefits budgets are to be left intact unless transfers are due to a change in circumstances affecting the contract position.

 Budget Transfers between Locations

 Budget amendments cannot take place between Saddleback College, IVC, ATEP and District Services. If an outside location is requesting payment for expended funds on behalf of a Saddleback College department, reimbursement can be done by an expense transfer. Please refer to Section 1.25 of the CAS Guide for Expense Transfer Procedures.

Budget Transfers between Funds

 Budget transfers cannot take place between funds, e.g., ASG, Community Education, Child Care Center, Foundation Accounts. If a fund needs to be reimbursed for expenses incurred on behalf of another fund, the reimbursement may be done by submitting an expense transfer. Please refer to Section 1.25 of the CAS Guide for Expense Transfer Procedures.

Budget Transfer between Accounts in Categorical Programs/Grant Awards

Grants and categorical programs have specific budget and expenditure guidelines. Transfers between budget line items must meet specific guidelines outlined in the grant agreement or categorical program instructions. Please refer to the Grants and Contracts Homepage (http://solutions.saddlhttp/www.saddleback.edu/grants) for grant management procedures and resources.

1.25 Expenditure Transfers and Journal Entries

Expenditure Transfers

Expenditures can be revised or corrected by processing an accounting journal in Workday. Cost centers may initiate an expense transfer but only employees with journal preparer roles in Workday can create and submit journal entries. Cost centers may send request to the College Fiscal Office to assign journal preparer roles to department staff. Fiscal Office will then recommend the role assignment to District Fiscal Services. Upon request, individual training will be provided to journal preparers.

A Journal Processing Guide (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Training%20Videos%20and%20Documents/Journal%20Processing.pdf) is available at the Workday Project Implementation Training Page of the SOCCCD Business Services Sharepoint.

Approval of Expense Transfers (https://sharepoint.socccd.edu/bs/WDImplementation/mwps/Training%20Videos%20and%20Documents/Journal%20Processing.pdf)

Approval process for journal entries are driven by the worktags associated with the entries. Cost center managers are responsible for the review and approval of transfers. If expense transfers relate to grants, approval by grant reviewers and grant officials are required. Final approval is done by District Fiscal Services.

Journal entries do not require Board approval regardless of amount.

Expense Transfers between Cost Centers, Divisions and Funds

Expense transfers can be done between accounts within divisions. Transfers relating to grants and categorical funding sources like Calworks, EOPS, DSPS, federal work study and the like are subject to grants and funding regulations.

Expense transfers can be done between restricted and unrestricted general fund. Transfers can be done to correct or reimburse charges between Community Education Fund, Child Development Fund, Capital Outlay Fund, Associated Student Government Fund and other funds.

Expense Transfers between Saddleback College, IVC, ATEP and District Services

Expense transfers can take place between Saddleback College, IVC, ATEP or District Services accounts.

If there is prior arrangement that expenses will be shared by different cost centers, Purchasing Office prefers that initiators contact the office before creating purchase requisition to confirm if multiple accounts are acceptable. There would be instances that District Office will prefer to do expenditure transfers rather than charging multiple accounts in a purchase order.

Expense transfers between Saddleback College and the College Foundation

While the College Foundation is a separate entity, accounting journals may be submitted to correct or reimburse expenses between the College and the Foundation.

Expense Transfers for Salaries

When completing expense transfers for salaries, the corresponding benefit costs must be transferred as well, unless the transfer is due to a simple correction in the salary spend account or object code.

Salaries and benefits transfers can be done in full cost (100%) or as a percentage of cost (e.g., 35% of salaries). The Employee Cost Worksheet may be used to facilitate calculation of amounts for transfer. Benefit costs typically change every year. The current Employee Cost Worksheet can be found in the SOCCCD SharePoint site under Business Services > Accounting > Accounting Forms>Employee Cost Worksheet.

Journal Entries

Journal entries can be submitted to record transactions other than expenditure transfers. For example, corrections on the accounting of revenues, fees, receivables and other accounts can be processed by journal entries. It is best to contact the College Fiscal Office or District Accounting for this purpose.