

BUSINESS - 300

Accounting (300.1)

Date Adopted: December 12, 1989

The Fiscal Management Manual as approved by the Illinois Community College Board shall be the guide for all District accounting.

BUSINESS- 300

Audits (300.2)

Date Adopted: December 19, 1989

Revised: April 19, 2016

Revised: November 17, 2020

Annually, the Board shall nominate and select two members from the Board of Trustees to serve as the audit committee. The audit committee will serve as the responsible representatives of the Board to aid in the recommendation of an audit firm, and review and discuss the final audit with the lead auditor, Chancellor, and Board treasurer prior to submission to the whole board. An audit shall be made at the end of each fiscal year by an accountant licensed to practice public accounting in Illinois and appointed by the Board of Trustees. The audit examination shall be conducted in accordance with generally accepted auditing standards and the requirements set forth by 110 ILCS 805/3-22.1.

It is the policy of the Board to issue a request for proposals for the audit examination no less than every three years. A recommendation for an audit firm shall be made to the Board using a thorough quality-based selection process. The audit firm shall be selected for up to a three-year (3) audit cycle. An auditing firm may perform this service for no more than two consecutive (2) cycles of three years. If a firm is selected to perform two consecutive (2) audit cycles, unless otherwise permitted by the Board of Trustees, that firm will be ineligible for consideration for the next succeeding audit cycle selection.

BUSINESS - 300

Auxiliary Enterprises Fund (300.3)

Date Adopted: December 19, 1989

Revised: December 12, 2023

Revised: April 16, 2024

The Auxiliary Enterprises Fund exists to furnish a service to students and staff that is directly related to the cost of the service and for which a fee is to be charged. Intercollegiate athletics, funds of student clubs, and purchases for resale are also included in this fund.

Recognized campus organizations shall deposit their funds with the campus business office.

Allocation for the student activity fee is approved on an annual basis by the Board of Trustees, after recommendation from the Chancellor.

Procedures for operation of the Auxiliary Enterprises Fund shall be outlined in a procedure manual.

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Budget and Tax Levy (300.4)

Date Adopted: December 19, 1989

The Chief Finance Officer shall prepare an annual budget for July 1 to June 30 of each fiscal year, in accordance with Illinois Revised Statutes, including but not limited to the Illinois Public Community College Act and the Illinois Truth in Taxation Act.

A tentative budget shall be prepared prior to August 15 of each year for public inspection and 30 days notice of public hearing, prior to adoption. The budget will be adopted by the Board of Trustees at a duly convened public meeting, no later than September 30 of each year.

The annual budget, when approved by the Board of Trustees, shall serve as the basic management plan for financial resources of the District.

A tax levy shall be adopted by the Board of Trustees, following a Truth in Taxation hearing. Notice of said hearing shall be published as required by law and the Certificate of Tax Levy shall be filed in each county included in Illinois Eastern Community Colleges District #529 on or before the last Tuesday in December of each year.

Truth in Taxation notice and hearing are not required unless the levy to be adopted is more than 105% of the extension, exclusive of election costs, of the preceding year.

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College Treasurer (300.5)

Date Adopted: December 19, 1989

Revised: April 19, 2016

Deleted by Board Action on October 17, 2023. (Moved to Board Treasurer, Policy 100.39.)

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Contracts (300.6)

Date Adopted: July 19, 1994

Revised: April 19, 2016

Illinois Eastern Community Colleges will comply with provisions of 110 ILCS 805/3-27.1 regarding contract. Bids shall not be awarded to a vendor that is a member of the immediate family of a full-time IECC employee, which means living in the immediate household. All competitive bids for contracts must be sealed by the bidder and must be opened by a member or employee of the Board at a public bid opening at which the contents of the bids must be announced. Each bidder must receive at least 3 days notice of the time and place of such bid opening. For purposes of this Section due advertisement includes, but is not limited to, at least one public notice at least 10 days before the bid date in a newspaper published in the District, or if no newspaper is published in the District, in a newspaper of general circulation in the area of the District.

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Depository for Funds (300.7)

Date Adopted: December 19, 1989

An official depository for District funds shall be designated by the Board of Trustees by resolution.

BUSINESS - 300

Emergency Building Repair Fund (300.8)

Date Adopted: December 19, 1989

The Board of Trustees has established an emergency building repair fund for the purpose of correcting construction deficiencies and/or structural deterioration. It is the responsibility of the Chancellor to determine the appropriate use of those funds and to recommend same to the Board for approval of expenditure.

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Imprest and Petty Cash Funds (300.9)

Date Adopted: December 19, 1989

Imprest and/or petty cash funds shall be established as needed to make payments to vendors and suppliers in less than a 30-day period from the time of purchase. Procedures for limitations and use of such funds shall be outlined in a procedure manual.

BUSINESS - 300

Insurance (300.10)

Date Adopted: January 17, 1995

A. Purchase

Insurance shall be purchased to provide adequate coverage with satisfactory and convenient service at the lowest cost.

B. Liability

The Board of Trustees shall purchase with District funds the type and amount of insurance necessary to protect itself as a corporate body, its individual members, its appointed officers, and its employees from financial loss arising out of any claim, demand, suit, or judgment by reason of alleged negligence or other act resulting in accidental injury to any person or in property damage within or without District buildings, while the above named insured are acting in the discharge of their duties within the scope of their employment and/or under the direction of the Board.

C. Personal Property

The Board of Trustees will not be responsible for any loss or damage of personal property not owned by the District.

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Inventories of Moveable Equipment (300.11)

Date Adopted: December 19, 1989

An inventory of equipment shall be maintained. All items that have a life expectancy of five years or more shall be included. Fixed equipment shall not be included.

Investment Policy (300.12)

Date Adopted: December 19, 1989

Revised Date: July 16, 2002

Revised Date: June 17, 2008

Revised Date: June 16, 2020

Revised: December 13, 2022

The Board authorizes the Treasurer, upon recommendation by the Chancellor and the Chief Financial Officer, to invest funds of the District. The Board of Trustees shall cause the investment of District funds in accordance with the Illinois Public Community College Act, the Public Funds Investment Act of the State of Illinois, and the Investment of Municipal Funds Act of the State of Illinois, with the exception that the Board shall prohibit investment in short-term obligations of U.S. corporations. A system of procedures and internal controls shall be established by the Treasurer for all investments of the District.

The primary objectives, in priority order of investment activities shall be:

- 1) Safety – safety of principal is the foremost objective. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital.
- 2) Liquidity – investments shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- 3) Return – investment portfolio shall be designed to obtain the highest available return, using authorized investment, while considering budgetary and economic cycles.

The District shall maintain pledged securities at a market value of at least 105% of deposits in excess of Federal Deposit Insurance Corporation (FDIC) insured amounts. Pledged securities shall be reviewed quarterly to ensure adequate coverage.

The Board shall be provided a report on the District Investments each quarter outlining at a minimum:

- 1) Investment Holdings
- 2) Rate of Return
- 3) Changes in Balance
- 4) Distribution of Investments

For purposes of this reporting, investments will be defined as instruments other than certificates of deposit or other interest-bearing deposits with a financial institution.

The Board authorizes the Treasurer to utilize the Illinois School District Liquid Asset Fund (ISDLAF) for purposes of meeting the investment objectives of the District as outlined above. Assets placed with ISDLAF shall not exceed \$5,000,000.

The Board of Trustees and the District Treasurer shall refrain from engaging in personal business activity that could a) conflict, or give the appearance of a conflict, with proper execution of the investment program or b) impair their ability to make impartial investment decisions.

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Publish Financial Statement (300.13)

Date Adopted: December 19, 1989

Revised: April 19, 2016

A financial statement shall be published annually in accordance with provisions of 110 ILCS 805/3-22.2, and rules and regulations of the Illinois Community College Board.

Purchasing Policy (300.14)

Date Adopted: June 11, 1996

Revised: April 17, 2001

Revised: December 10, 2013

Revised: December 10, 2024

Illinois Eastern Community Colleges (IECC) is committed to ensuring all purchases and purchasing activities are conducted in a transparent, ethical, and cost-effective manner.

The District Business Office is responsible for:

- Coordinating purchasing activities within the framework of the statutes, rules and policies of the Board of Trustees, the Illinois Community College Board, and the Illinois Public Community College Act.
- Securing the District's requirements for goods and services at the lowest possible cost while ensuring that quality and service standards are satisfactorily met.
- Recommending cost reduction measures in the general operating areas of the District.
- Establishing and initiating efficient purchasing procedures consistent with statutory requirements and Board policy.

Conflict of Interest

IECC employees shall not knowingly enter into any purchase commitment that may result in a conflict of interest. As such, employees shall not knowingly purchase goods or services from their immediate family member (refers to a member residing in the immediate household) or from other employees except under the following conditions:

- The immediate family member does not have a substantial financial interest in the operation of the business;
- There is no other qualified or responsible provider;
- A substantial additional cost for the goods or services will be incurred if the purchase is made from another provider; or
- Other exceptions as approved by the Board of Trustees. In such instances, the Board will be notified in a timely manner.

Recycled Content

IECC does not discriminate against the procurement of products containing recycled content. As such, products with recycled content shall be procured wherever and whenever practical when costs, specifications, standards, and availability are comparable to products without recycled content.

Purchasing Diversity (Reference Policy 300.22)

IECC strives to promote and encourage the continuing economic development of minority, female owned, and persons with disabilities operated businesses. As such, specific outreach efforts will be utilized to increase the use of certified vendors.

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Revolving Fund and Utility Fund (300.15)

Date Adopted: December 19, 1989

Date Revised: August 17, 2005

Revised: February 27, 2024

A revolving fund shall be established and maintained in the amount of \$300,000, and a utility fund shall be established and maintained in the amount of \$150,000, to pay obligations of the District in accordance with the Prompt Payment Act as set forth by 110 ILCS 805/3-27.3 of the Illinois Public Community College Act. These obligations include utilities, monthly charges on annual contracts, invoices offering cash discounts, staff travel reimbursements and advances, restricted and auxiliary fund payouts, freight bills, overdue bills, postage, scholarship funds, or other emergency bills which receive approval by the Chief Financial Officer and/or the Chancellor. However, payments for bookstore textbook purchases for fall and spring semesters shall not be included in the revolving fund cap of \$300,000. The Board of Trustees being notified of all payments made through such Revolving Fund and Utility Fund by listing said payments in a separate column on the Board of Trustees bill list. The total of the bill list shall constitute the monthly reimbursement to the revolving fund and utility fund upon approval by the Board of Trustees.

The Revolving Fund may not be used for travel reimbursement for any officer or employee that exceeds the maximum reimbursement under Procedure 300.16.1 nor any travel reimbursement for a member of the Board of Trustees.

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Travel Policy (300.16)

Date Adopted: October 15, 1996

Revised: August 16, 2016

It is the policy of the District to reimburse members of the Board of Trustees, Treasurer, Board Secretary, and employees of the District for approved trips relating to District business, at a rate which is consistent with the reimbursement rates in the State of Illinois.

Any request for reimbursement requires submission of appropriate forms.

Full-time employees will only be reimbursed for travel from the first work site to the second work site, or from their personal residence to the second work site, whichever distance is shorter.

Charges on credit cards will require documentation of the business purpose and will be provided by the person making the charges. No credit card charges are permitted for any personal purpose or for travel by non-district personnel.

Procedures for compliance with current Illinois law and any subsequent changes will be outlined in a procedure manual.

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Use of Facilities (300.17)

Date Adopted: December 19, 1989

Revised: December 13, 2022

District-owned facilities and equipment may be made available for use by outside entities, provided such use does not interfere with regular education functions and/or IECC-related activities.

Regulations and limitations shall be established for such use and a procedure shall provide guidelines for usage of district property.

Outside entities using IECC facilities and equipment must be responsible for damages sustained by such use and will be required to furnish/provide proof of sufficient liability insurance, as appropriate. District policies, procedures, regulations, and applicable laws must be followed.

A fee schedule for use of facilities and equipment will be established and maintained up to date via recommendations presented for approval by the Board of Trustees.

BUSINESS - 300

Assignment of Vehicles (300.18)

Date Adopted: April 20, 1993

The Chancellor may assign vehicles to staff on a 24-hour per day basis. Assigned vehicles are to be used predominantly for official IECC business. Any personal use of the vehicle will be considered a taxable fringe benefit.

Staff will maintain vehicle use records of assigned vehicles according to existing Internal Revenue Service guidelines. Using the IECC "Worksheet for Calculating Vehicle Fringe Benefits," staff will report all non-business use of assigned vehicles to the Chief Financial Officer according to a timetable to be established by the Chief Financial Officer. The Chief Financial Officer will insure that all non-business/personal miles are reported as appropriate on the employee's annual W-2 form and that appropriate FICA taxes are withheld.

Loss Control (300.19)

Date Adopted: December 14, 1999

Strive to provide the employees with the knowledge and information necessary to perform their job in a safe and efficient manner.

Recognizes that providing safe working conditions and maintaining continuity of employment is of continual concern.

Will not knowingly permit unsafe conditions to exist, nor will they permit employees to indulge in unsafe acts. Compliance with district safety rules and policies is a condition of employment. Violations of district rules and regulations could result in disciplinary action.

Operating Cash Reserve (300.20)

Date Adopted: August 17, 2004

Revised: April 19, 2016

Revised: March 19, 2024

It shall be the objective of the District to maintain an Operating Cash Reserve sufficient to meet its financial obligations for a minimum of four months.

An Operating Cash Reserve shall be defined as the end of year Operating Funds cash and investment balance (cash and investments in the Education Fund and the Operations and Maintenance Fund) divided by the average per month expenditures and transfers for such funds as shown on the audited Uniform Financial Statement No. 1 as presented by the Chief Financial Officer.

The Operating Cash Reserve is calculated each fiscal year based upon the District's independently audited Comprehensive Annual Financial Report (CAFR) for the most recent fiscal year then ended. This CAFR is submitted by Illinois Eastern Community Colleges to the Illinois Community College Board on or before December 15th of each year.

The Operating Cash Reserve amount will be submitted to the Board each fiscal year, following the approval of the CAFR, for its review.

The establishment of a minimum four-month Operating Cash Reserve is a financial goal of the District, but situations may arise that would require the District to utilize funds set aside as an Operating Cash Reserve. Such utilization would only be done with full disclosure to, and approval of, the Board of Trustees.

Financial Standards for Federal Grant/Award Funds (300.21)

Date Adopted: November 17, 2015

Revised: March 19, 2024

The District will develop specialized business procedures that will comply with the Code of Federal Regulations (CFR) with regard to required financial protocol when handling Federal Award and/or Federal Grant funds.

These specialized procedures will include, but not be limited to:

1. General procurement standards.
2. Procurement "Code of Conduct" which addresses conflicts of interest. A more detailed explanation of Conflicts of Interest will be documented in Procedure.
3. Competition standards.
4. Methods of procurement and procurement procedures.
5. Recordkeeping and administration.
6. Cash management.
7. Determination and appropriateness of costs.
8. Equipment Management.

Conflict of Interest

No employee, officer, or agent shall participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the District shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements except for where the financial interest is not substantial or the gift is an unsolicited item of nominal value. Members of the District's Board of Trustees shall comply with all relevant fiduciary duties, including those governing conflicts of interest, when they vote upon matters related to procurement contracts in which they have a direct or indirect financial or personal interest. Officers, employees, trustees, and agents of the District shall be subject to disciplinary actions up to and including dismissal for violations of these standards.

BUSINESS - 300

Policy – Purchasing Diversity (300.22)

Date Adopted: July 19, 2016

Pursuant to the Business Enterprise for Minorities, Females and persons with Disabilities Act, Illinois Eastern Community College District #529 will develop procedures to include aspirational goals which promote and encourage the continuing economic development of minority, female owned, and persons with disabilities operated businesses.

It is the policy of Illinois Eastern Community College District #529 to provide opportunities for minorities, females and persons with disabilities to share in the total expenditures of state contracts, construction contracts, and professional service contracts. No potential vendor will be excluded from consideration on the basis of race, color, religion, sex, age or national origin.

IECC-issued Credit Cards (300.23)

Date Adopted: December 10, 2024

Upon approval of the Chief Financial Officer or their designee, IECC-issued credit cards are provided to employees, based on their job requirements, for business-related expenses only. Cardholders must sign an agreement acknowledging understanding and compliance with this policy and the corresponding procedure. The procedure provides general guidance related to:

- How to request a card;
- Authorized and unauthorized uses;
- Cardholder responsibilities, including required expense reporting;
- What to do if a card is lost or stolen.

Misuse and Consequences

Unauthorized or fraudulent use of the credit card will result in disciplinary action, including potential termination and legal action. IECC reserves the right to seek reimbursement for any unauthorized expenses.

Return of Card

Cards must be surrendered upon termination of employment or upon request by the Chief Financial Officer or their designee.