

## Requirement 3.10.4

### Financial Resources: Control of finances

The institution exercises appropriate control over all its financial resources.

#### Judgment

Compliant  Partial Compliance  Non-Compliant  Not Applicable

#### Narrative

Haywood Community College (HCC) is in compliance with Comprehensive Standard 3.10.4.

Haywood Community College exercises appropriate control over its financial resources. The College annually performs an audit of its internal controls. The NC Office of the State Controller provides the review document, Self-Assessment of Internal Controls Questionnaire. This document is available for review in the HCC Executive Director of Business Operations' office. The College provides the Office of the State Controller with verification that the College's self-assessment of internal controls has been completed for its June 30 year end ([Confirmation of Self-Assessment of Internal Controls](#)). The internal review as of June 30, 2007, found no inadequate internal controls.

Haywood Community College maintains a cash management plan that is submitted to the NC Office of the State Controller (OSC). In keeping with State Cash Management Plan revisions, HCC submitted its Cash Management Plan Review Checklist and a revised HCC Cash Management Plan to OSC on March 20, 2006 ([Cash Management Plan Review Checklist](#)). The OSC approved HCC's revised Cash Management Plan on May 8, 2006 ([Cash Management Plan](#)). The Plan covers the timely deposit of receipts, investments, collections, handling Federal funds, and disbursements. All check disbursements require the signatures of the College President and the Executive Director of Business Operations. Any unused check supply is blank paper stock with checks being system-generated using a print solution. To account for all check numbers, check logs are maintained and reviewed for all written checks.













The College operates under formalized purchasing procedures ([Purchasing Procedures, PCard Procedures](#)). The HCC Intranet disseminates these internal procedures. Compliance of these purchasing guidelines insures financial control of obligating college funds and adherence to State of North Carolina purchasing policies.

Equipment inventory control is mandated at the College. Purchasing staff record in the equipment inventory database all acquisitions, disposals, and transfers of equipment. The equipment inventory technician and department designees perform annual inventory reviews. The technician also performs random verification audits. HCC annually submits inventory audit results to the North Carolina Community College System (NCCCS). NCCCS staff review inventory audit results and provide an audit report to HCC's President ([Equipment Audit Report](#)), who then provides these results to the HCC Board of Trustees ([Board Minutes, December 13, 2007, pp. 5](#)).

The HCC President and Administrative Council establish a State budget reserve at the beginning of each fiscal year to make sure funds are available for reversions to the State and/or to meet unexpected expenses. The HCC Board of Trustees approves the Budget Resolution ([October 9, 2007, Board Minutes p. 4](#)) as required by the North Carolina General Statute, Chapter 115D-54, as revised by House Bill 384 ([NCGS 115D-54](#)) ([House Bill 384 Section 5 and Section 7](#)). In addition, HCC Administration provides budget reports to the Board of Trustees at monthly meetings ([Sample Monthly Budget Report](#)). Once approved, budgets are allocated by budget line item. Departmental budget managers can access budget reports online, via WebAdvisor. The Executive

Director of Business Operations meets with budget managers in January to review budgets and determine if a department has surplus funds or if additional funds are needed. Budget managers submit all purchase requisitions by April 15. Unencumbered balances are expended as directed by the President with input provided by Administrative Council and senior staff from all divisions. Such expenditure items include purchases of new equipment, library books, instructional supplies, and advertising to increase student enrollment. Budget managers have some flexibility in requesting budget transfers as defined by the NC Community College System Accounting Procedures ([Request for Budget Transfer](#)).

## Supporting Documents

-  [BOTMinutes10907](#)
-  [BOTMinutes12.13.07](#)
-  [CashMgmtPlan](#)
-  [CashMgmtPlanCklst](#)
-  [ConfirmSelfAssessInternalControls](#)
-  [EquipmentAuditReport](#)
-  [H384v0](#)
-  [HCCPCardProcedure](#)
-  [HCCPurchasingProcedures](#)
-  [MonthlyBudgetReport](#)
-  [NCGS115D-54](#)
-  [RequestForBudgetTransfer](#)