H. COUNCILL TRENHOLM STATE TECHNICAL COLLEGE

Fiscal Policies and Procedures Manual

Sam Munnerlyn, President

Revised: February 5, 2013

The Business Office strives to provide excellent financial services to Trenholm State Technical College's students, faculty and staff. This Office is responsible for managing the financial resources of the college. We look forward to working with you.

Table of Contents

Policy Name:	301.01	**Financial Management**
Effective:	03-27-08	
Supersedes:	301.01 Issued 125-08-94	
Source:		
Cross Reference:		

H. Councill Trenholm State Technical College shall operate within available resources and shall maintain adequate operational balances as defined by the Chancellor and reported to the State Board of Education to ensure the financial stability of the institution.

Colleges in The Alabama College System are required to maintain uniform accounting records in accordance with the National Association of College and University Business Officers (NACUBO) Manual. The chart of accounts structure was developed for use by the colleges in The Alabama College System and is based upon NACUBO's procedures, State of Alabama laws, State Board of Education policies, and Department of Post Secondary Education procedures. An excerpt from Chapter 1 of the Department of Post-Secondary Education Fiscal Procedures Manual entitled Chart of Accounts follows this section. The excerpt provides definitions of the funds and account codes prescribed by the Department.

Accounts are structured as follows:
X-XX-XXXX-XXX-XX-XXXX-XXXX
a. b. c. d. e. f. g.

a. X- Major fund code
b. XX- Function/Division
c. XXXX- Organizational Unit/Department
d. XXX- Object code
e. XX- Campus
f. XXXX- Program
g. XXXX- Miscellaneous

An example of an account is 1-01-1090-641-00-0000-0000. This account is read as follows:

a. 1 – Unrestricted fund
b. 01 – Function – Instruction
c. 1090 – Organizational Unit – Allied Health Practical Nursing
d. 641 – Object Code – Materials and Supplies
e. 00 – Campus – Not campus specific
f. 0000 – No sub-program
g. 0000 – No miscellaneous code assigned.

The following table represents the account structure currently used by the College. The current active fund codes, functions/divisions, and campus codes are listed in the table. The current organizational units and object codes utilized by the College are separately listed.

Major Fund Codes

X - Fund Code	XX-Function/ Division	XXXX - Organizational Unit/Dept	XXX-Object Code	XX-Campus	XXXX-Program	XXXX-Misc
1 Unrestricted	01 Instruction	1000 Allied Health	501 Instructional Salaries	10 Patterson	Varies per fund,	Varies per fund,
2 Restricted	03 Public Service	1030 Dental Assisting	etc.	20 Trenholm	function, unit,	function, unit,
4 Loan Funds	04 Academic Support	1050 Emergency Medical			or object code.	or object code.
6 Plant Funds	05 Student Services	etc.				
7 Agency Funds	06 Institutional Support					
	07 Operation & Maintenance of Plant	**Complete list follows**	**Complete list follows**			
	08 Scholarships					
	12 Auxiliary Enterprises					
	14 Plant					

ORGANIZATIONAL UNITS BY FUNCTION

1		**INSTRUCTION**
1000		**ALLIED HEALTH**
1020	DLT	DENTAL LAB TECHNOLOGY
1030	DAT	DENTAL ASSISTING
1050	EMT	EMERGENCY MEDICAL I
1090	LPN	PRACTICAL NURSING
1100	MAT	MEDICAL ASSISTANT
1140	NAS	NURSING ASSISTANT
1170	RAD	RADIOLOGIC TECHNOLOGY
1175	DMS	DIAGNOSTIC MEDICAL SONOGRAPHY
1215	MSG	MASSAGE THERAPY TECHNOLOGY
1220	DMS	DIAGNOSTIC MEDICAL SONOGRAPHY
2000		**BUSINESS**
2010	ACC	ACCOUNTING
2180	SET	OFFICE ADMINISTRATION
5000		**HIGH TECHNOLOGY**
5113	CTN	COMMUNICATIONS ELECTRONICS
5115	DDT	DRAFTING AND DESIGN TECHNOLOGY
5116	DPT	COMPUTER SCIENCE
5152	ELT	ELECTRICAL TECHNOLOGY
5180	ILT	INDUSTRIAL ELECTRONICS TECHNICIAN
5185	INT	INDUSTRIAL MAINTENANCE TECHNOLOGY
5195	MTT	MACHINE TOOL TECHNOLOGY

6000		**LANGUAGE/MATH**
7000		**SCIENCE**
7500		**SOCIAL SCIENCE**
7560	HUM	HUMANITIES
8000		**DEVELOPMENTAL**
8010	ABE	ADULT BASIC EDUCATION
8040		DEVELOPMENTAL
8800		**WORKFORCE DEVELOPMENT**
8850	TEBI	TRAINING FOR BUSINESS AND INDUSTRY
9000		**VOCATIONAL**
9010	ABR	AUTOMOTIVE BODY REPAIR
9020	ACR	AIR CONDITIONING/REFRIGERATION TECH
9030	AUM	AUTO MECHANICS
	AUT	Automotive Manufacturing
9070	BUC	BUILDING CONSTRUCTION
9090	CAR	CARPENTRY
9130	CGM	CHILD DEVELOPMENT
9170	CMS	COMMERCIAL SEWING
9210	COS	COSMETOLOGY
9240	CUA	CULINARY ARTS
9260	DEM	DIESEL MECHANICS
9390	GPC	GRAPHICS AND PRINTING
9420	HOC	HORTICULTURE NON-DEGREE
9470	MAS	MASONRY
9630	PLB	PLUMBING
9750	TRK	TRUCK DRIVING
9770	WDT	WELDING
9900		**CONTINUING EDUCATION**
9940	CEU	CONTINUING EDUCATION INDIVIDUAL
4		**ACADEMIC SUPPORT**
1000		Libraries
6000		Academic Administration
6500		Academic Support Tech
5		**STUDENT SERVICES**
1000		Student Services Administration
2000		Social and Cultural Development

3000	Counseling and Career Guidance
4000	Financial Aid Administration
5000	Student Admissions
6	**INSTITUTIONAL SUPPORT**
1000	Executive Management
2000	Fiscal Management
3000	General Administration and Logistical Services
4000	Administrative Computing Support
5000	Public Relations/Development
5500	Institutional Research
7	**OPERATION AND MAINTENANCE OF PLANT**
1000	Physical Plant Administration
2000	Building and Equipment Maintenance
3000	Custodial Services
5000	Landscape and Grounds Maintenance
6000	Major Repairs and Renovations
12	**AUXILIARY ENTERPRISES**
1000	Bookstore

OBJECT CODES
ASSETS

101	Cash-in-Bank
119	Petty Cash
120	Short-Term Investments More than 90 Days
131	Notes Receivable
133	Accounts Receivable
134	Accounts Receivable - Returned Checks
149	Allowances for Doubtful Accounts
162	Prepaid Salaries, Wages, and Benefits
164	Deferred Retirement Incentive Charge
165	Prepaid Tuition
166	Deposits Refundable to Institution
170	Land
171	Buildings and Fixed Equipment
172	Improvements Other Than Buildings
173	Alterations
174	Furniture and Equipment $25,000 or Less

175	Construction in Progress
176	Art Museums and Collections
177	Library Books and Audiovisuals
178	Leased Equipment
182	Furniture and Equipment Exceeding $25,000
188	Deposits with Trustees
189	Other Plant Assets
191	Due from Current Fund - Unrestricted (No. 1)
192	Due from Current Fund - Restricted (No. 2)
193	Due from Annuity & Life Income Funds (No.3)
194	Due from Loan Funds (No.4)
195	Due from Endowment and Similar Funds (No.5)
196	Due from Plant Fund (No.6)
197	Due from Agency Fund (No. 7)

LIABILITIES

201	Accounts Payable
202	Notes Payable – Current
203	Social Security Taxes Payable
204	Federal Income Taxes Payable
205	State Income Taxes Payable
206	Alabama Teachers' Retirement Payable
207	State Employees' Retirement Payable
208	Salaries and Wages Payable
209	PEEHIP Payable
210	State Unemployment Insurance Compensation (SUIC)
211	Encumbrances Payable
212	Sales Tax Payable
213	Occupational Tax Payable
214	Annuities Payable
218	Deposit Liabilities
219	Accrued Leave
220	Miscellaneous Deductions Payable
222	Notes Payable
230	Deposits Refundable
231	Deferred Credits
232	Student Credit
240	Accounts Payable Clearing
291	Due to Current Fund - Unrestricted (No.1)
292	Due to Current Fund - Restricted (No. 2)

APPROPRIATIONS, RESERVES AND FUND BALANCES

301	Estimated Revenue/Receipts
302	Actual Expenditures
303	Purchase Order Encumbrances
304	Contract Encumbrances
307	Transfer In
308	Transfer Out
309	Fund Balance - Allocated (Technology)
310	Fund Balance – Allocated
311	Fund Balance Unallocated
321	Estimated Expenditures
322	Actual Revenue/Receipts
323	Reserve for Purchase Order Encumbrances
324	Reserve
325	Reserve for Cash Operating Differences
352	Restatement to Fund Balance
355	Refunded to Grantors
358	Excess of Restricted Receipts Over Transfers to Revenue
395	Net Investment in Plant - Current or Other

REVENUES

401	ETF Appropriation - O&M - Regular
402	ETF Appropriation - Special
406	State Appropriation - Other
410	Federal Revenue - Student Aid
411	Federal Grants and Contracts
425	State Grants and Contracts
426	Local Grants and Contracts
431	Tuition
433	Skills Training Division
434	Fees - Graduation
435	Fees - Returned Check
436	Fees - Late Registration
438	Fees - Special
439	Fees - Facility Renewal
439	Other Student Fees
440	Fees - Facility Renewal Waived
441	Fees - Training for Business/Industry
442	Administrative Fee
443	Technology Fee
444	Technology Fee Waived
445	Bond Surety Fee
446	Bond Surety Fee Waived

451 Sales of Educational Activities
465 Commissions
467 Rent
481 Non-governmental Gifts and Contracts
481 Gifts from Individuals
481 Gifts from Charitable Organizations
481 Gifts from Business and Industry
481 Privates Grants and Contracts
483 Discounts Earned
484 Investment Income
486 Miscellaneous Revenue
492 Unrealized Gains & Losses on Investments
493 Proceeds from Sale of Property
494 Prior Year Refunds/Adjustments
495 Insurance Adjustments
497 Indirect Cost Revenue

EXPENDITURES

501 Instructional Salaries - Regular - Schedule D
502 Instructional Salaries - Temporary/Part-time
503 Administrative Salaries - Schedules A and B
504 Other Professional Salaries - Schedule C
505 Support Personnel Salaries - Schedules E and H
506 Hourly Wages
507 Student Assistants (Long-Term Debt)
508 Work Study Students
572 FICA Matching - Institution Share
573 Unemployment Compensation
575 Retirement Matching - Institution Share
580 President's Expense Allowance
581 Housing Allowance
583 Health Insurance - Institution Share
592 Compensated Absences
593 Annual Leave - Retirement/Termination
594 Other Employee Benefits
601 In-State Travel
602 Out-of-State Travel
603 Freight
604 Communications
605 Postage
606 Maintenance and Repairs
607 Service Contracts on Equipment
608 Electricity
609 Gas and Heating Fuel
610 Water and Sewer
611 Gasoline and Oil - Motor Vehicle
612 Operating Lease Payments
613 Rent - Equipment
614 Rent - Facilities
616 Insurance and Bonding
617 Subscriptions
639 Other Contractual Services
641 Materials and Supplies
642 Computer Software
660 Purchases for Resale
661 Interest Payments
662 Payments on Debt Principal
663 Investment Transaction Exp.
664 Scholarships
665 Honorariums
666 Grants, Awards and Prizes
667 Advertising and Promotions
670 Trustee Handling Fee
671 Amortization Expense
672 Bond Surety Fee Expense
675 Institutional Allowance
676 Cash Shortages
677 Indirect Cost Expense
678 Institutional Use
680 Self Study Expense
681 Admissions - GED Testing
682 Software License Renewal
685 Testing Expense
686 Miscellaneous Expense
689 Professional Development
690 Bookstore Inventory Write-off
691 Penalties/Taxes
695 Note Issuance Expense
701 Books
702 Audiovisuals
710 Furniture and Equipment

618 Memberships
619 Printing, Reproduction and Binding
621 Employee Taxable Non-Overnight Per Diem
623 Judgments/Settlements
624 Legal Services
625 Other Legal Expenses
626 Accounting and Auditing Services
627 Engineering and Architectural Services
628 Other Professional Fees
630 Depreciation Expense

$25,000 or Less
711 Furniture & Equipment Exceeding $25,000
712 Lease Purchase
740 Transportation Equipment $25,000 or Less
770 Buildings and Fixed Equipment
777 Construction in Progress
780 Improvements Other Than Buildings and Infrastructure
781 Alterations
782 Technology $25,000 or Less
783 Technology Exceeding $25,000

TRANSFERS

---

800 Mandatory Transfers In
801 Mandatory Transfer In - Principal and Interest
805 Mandatory Transfer In - Renewal/Replacement Regular
810 Mandatory Transfer In - Facility Renewal Fee
825 Mandatory Transfer In - Other
826 Non-mandatory Transfer In - Endowment Gain Appropriated
830 Non-mandatory Transfer In - Quasi-Endowment Gain Appropriated
835 Non-mandatory Transfer In - Into Plant Fund from Unrestricted
840 Non-mandatory Transfer In - Into Plant Fund from Restricted
850 Mandatory Transfers Out
850 Mandatory Transfer Out - Other
855 Mandatory Transfer Out - Renewal and Replacement Regular
860 Mandatory Transfer Out - Facility Renewal Fee
865 Mandatory Transfer Out - Loan Fund Matching
875 Non-mandatory Transfers Out
876 Non-mandatory Transfer Out - Gifts to Other Funds
879 Non-mandatory Transfer Out - Unrestricted to Auxiliary (Student Activities)

883 Non-mandatory Transfer Out - Unrestricted to Loan, Endowment, Plant
885 Non-mandatory Transfer Out - Restricted to Unrestricted
887 Non-mandatory Transfer Out - Restricted to Loan, Endowment, Plant
888 Non-mandatory Transfer Out - Other to Restricted
889 Non-mandatory Transfer Out - Other to Unrestricted
890 Non-mandatory Transfer Out - Other
891 Non-mandatory Transfer Out - Endowment Gain Appropriated

POLICY NAME: 302.01	**Fidelity Bond Schedule**
EFFECTIVE:	03-27-08
SUPERSEDES:	302.01 issued 12-08-94; 1979
SOURCE:	Policies and Procedures
CROSS REFERENCE:	

1. All Alabama Community College System institutions are required to purchase fidelity bond coverage on the following institution officials and employees as follows:

President	$500,000
Vice President	$500,000
Chief Financial Officer	$500,000
Treasurer	$500,000
Financial Aid Officer	$500,000
Blanket bonds for others handling funds	$100,000

2. The President is authorized to obtain additional bond coverage or coverage for other institution officials as needed.

POLICY NAME: 302.02	**Treasurer**
EFFECTIVE:	03-27-08
SUPERSEDES:	302.02 issued 12-08-94
SOURCE:	
CROSS REFERENCE:	

The President has designated the Dean of Finance and Administrative Services as treasurer/custodian of funds to be responsible for receiving and disbursing all institutional monies.

POLICY NAME: 301.02	**Accounting Procedures**
EFFECTIVE:	03-27-08
SUPERSEDES:	301.02 issued 12-08-94; 08-22-85
SOURCE:	State Board of Education Resolution; Accounting Manual
CROSS REFERENCE: State Board Policy 301.02	

1. The *Fiscal Procedures Manual (Revised 07/2010)* for the Alabama Community College System shall be used by all institutions. The Chancellor shall revise and maintain the manual as needed to comply with generally accepted accounting procedures, good business practices, State Board of Education policy, and applicable laws.

2. The Trenholm State Technical College Fiscal Policies and Procedures Manual supplements and further enhances local policies and procedures.

POLICY NAME: 304.01	**Financial Reporting**
EFFECTIVE:	03-24-05
SUPERSEDES:	304-01 issued 12-08-94;09-19-67
SOURCE:	State Board of Education Resolution
CROSS REFERENCE:	

1. Each institution shall submit an annual budget and annual financial statement in the format prescribed by the Chancellor. The Chancellor shall present the institution budgets to the State Board of Education for approval prior to the commencement of each fiscal year.

2. The Chancellor is authorized to consider and approve amendments to institution budgets during a fiscal year as requested by the President. The Chancellor shall prescribe a budget amendment format to be used by each institution to report amendments.

3. The fiscal operation of the college is conducted on the basis of an annual budget for the fiscal year October 1 through September 30. Each annual budget is based on the annual budget appropriations approved by the Alabama Legislature. The President is ultimately responsible for the preparation of these budgets. All college employees are asked to assist in the preparation of the annual budget.

4. Restricted budgets are established upon issuance of the award letter and or contract from external grantors. All restricted budgets should be reviewed upon entry and any changes necessary should be brought to the attention of the *Director of Restricted Programs*.

Budget Procedures

a. Budget requests will be developed at the departmental level, with input from all personnel assigned to that activity.

b. The Institutional Goals and Strategic Initiatives are published on the Intranet and should provide a basis for the development of your Unit Plans. Budgets must be tied to Unit Plans, Goals and Objectives, and each expense must be detailed.

c. Budget Packets will be distributed in the spring of each year and include the following:

    i. Detail Budget Page
    ii. Proposed Budget Form (Data will pull from the Detail Budget Page)
    iii. General Ledger Object (Expense) Code Definitions, (Function and Department names and numbers)
    iv. Critical Needs Worksheet (Restricted and Unrestricted)
    v. Employee Request Worksheet and Justification Sheet

d. Proposed budget (Proposed Budget Form) should include expense items that are necessary to continue the operation of each department for the coming year. In order to assist you with this project, the Proposed Budget Form information will pull from the Detail Budget Page. **Do not enter data directly on the Proposed Budget Form or change any formulas on this page.**

e. Enter budget request information on the Detail Budget Page. **Do not add lines or change object codes on this form.** It is not necessary to request funds for all line items listed since many may not pertain to your department. Descriptions for each expense code are provided as a means of clearly classifying line item requests (Expense Code Definitions). Current year budget information may be reviewed and printed in BCBCI in the accounting software. Current year budget information may include one-time expenditures such as equipment, furniture, software, etc. which should not be budgeted for the coming year. Every budget line request should be detailed on the Detail Budget Page and tie back to the departmental goals and objectives. Budget Administrators responsible for more than one Department, must prepare separate packets for each department.

f. A Critical Needs worksheet is included to list unfunded Budget Center needs. Do not include these unfunded request in the Proposed Budget, equipment will be purchased with Perkins Funds if available. Items should be listed by priority, starting with the most critical and must tie back to the unit goals and objectives.

g. Appropriate departmental staff should complete the Budget Request Packet, print a copy of the complete packet, sign the Proposed Budget Form and submit the signed paper copy, and e-mail an electronic copy of the complete packet and a copy of your Unit Goals and Objectives to the appropriate **Dean**. Deans are asked to review all requests, make comments or changes, sign the hardcopy, deliver the hardcopy and e-mail the electronic copy including any changes to Business Office.

h. Deans will be contacted when budget revisions are necessary. Business Office is responsible for the development of the college wide budget as directed by the President. No Proposed Budget Request shall be assumed final until approved by the President.

i. The President will hold budget hearings at the dean level for all departmental budgets. Deans will present their budgets to the President and his selected hearing committee. Proposed budgets will be adjusted for any changes resulting from the hearings.

j. The President approves the final budget and sends to the Department of Postsecondary Education for approval.

k. After budgets are approved by the Alabama State Board of Education they are distributed to the college.

l. The budgets are entered into the accounting software by Business Office so that information will be available in the new fiscal year.

m. Adjustments to budgets are periodically required by a division. These adjustments are requested by the budget center manager by completing the entire “Budget Transfer Form” on the intranet. *(see Exhibit)* Upon completion and approval by the appropriate parties (Dean, Director of Restricted Programs (if applicable), Business Office, and President if greater than $5,000), the budget request is entered into the accounting software by the business office.

n. Planned expenditures not executed in current year will not carry forward into the new budget year.

Restricted budgets are established upon issuance of the award letter and/or contract from external grantors. All restricted budgets should be reviewed upon entry and any changes necessary should be brought to the attention of the *Director of Restricted Programs.*

POLICY NAME: 318.01	**Audits**
EFFECTIVE:	03-27-08
SUPERSEDES:	318.01 issued 06-25-95; 12-08-94
SOURCE:	
CROSS REFERENCE:	110.01

1. Each institution of the Alabama Community College System should be audited annually by the Examiners of Public Accounts.

2. In addition, the Chancellor is authorized to initiate and direct audits and reviews of any or all operations of any institution within the Alabama Community College System. The Chancellor shall determine appropriate procedures and compliance measures and standards applicable to such audits or reviews.

3. Following the determination of the results of each institution audit completed by the Examiners of Public Accounts, and each audit or review directed by the Chancellor, a written report addressing the results of such audit or review shall be provided to the State Board of Education.

4. Internal audit review of various college functions will be performed by Business Office personnel.

POLICY NAME: 350.01	**Personal Injury/Property Damage**
EFFECTIVE:	10/01/08
SUPERSEDES:	
SOURCE:	
CROSS REFERENCE:	

1. Effective October 1, 2008, the College is authorized to pay uncontested claims, up to $5,000.00, for uninsured personal injury and/or uninsured property damage on institution property without adjudication before the Alabama State Board of Adjustment.

2. The College is required to report quarterly to the Chancellor all such claims filed, including final resolution.

Personal Injury/Property Damage Reporting Procedures:

1. Claimant will notify the *Dean of Finance and Administrative Services*, in writing, of personal injury or personal property damage. The *Dean of Finance and Administrative Services* will advise claimant to file a *Claim for Uninsured Medical Costs or Personal Property Damage on Institution Property*" form *(see Exhibit)*, which may be obtained from the Business Office or College Intranet.
2. The *Dean of Finance and Administrative Services* will advise the claimant that the College has 60 days to complete the claim process. Should the College be unable to meet the 60 day requirement, a written explanation must be provided to the Chancellor.
3. The *Claim for Uninsured Medical Costs or Personal Property Damage on Institution Property* form will be submitted to the *Dean of Finance and Administrative Services* to review and make a recommendation to the President.
4. The *Dean of Finance and Administrative Services* will complete the *Recommendation for Disposition of Claim* form and contact the claimant to provide the outcome.
5. Should the College contest its responsibility to pay any such claim, the *Dean of Finance and Administrative Services* will advise the claimant of the availability of further investigation and adjudication by the Alabama State Board of Adjustment and will provide the claimant appropriate forms and procedures for filing a claim with the Alabama State Board of Adjustment.
6. The claim form will be maintained in the Business Office.

The *Dean of Finance and Administrative Services* will be responsible for reporting claim to the Chancellor's Office.

POLICY NAME: 315.01	**Gifts and Bequests**
EFFECTIVE:	03-27-08
SUPERSEDES:	315.01 issued 12-08-94; 10-03-79
SOURCE:	*Code of Alabama 16-60-217*; State Board of Education Resolution
CROSS REFERENCE:	

1. The State Board of Education is statutorily authorized to accept all gifts and donations to the College.

2. The President is authorized and designated by the State Board of Education to accept designated gifts and donations to the institution and to use these for the purposes designated insofar as these purposes are in keeping with the philosophy of the institution and the policies and general guidelines of the State Board of Education. If a college employee becomes aware of a gift or bequest to the college the employee must notify the President immediately in writing. The notification should include documentation from the donor indicating a description and value of the gift/bequest.

3. The President shall report to the Chancellor and the State Board of Education all gifts and donations to the institution.

4. The Chancellor is authorized and designated by the State Board of Education to accept designated gifts and donations to the Alabama Community College System and to use these for the purposes designated insofar as these purposes are in keeping with the philosophy of the system and the policies and general guidelines of the State Board of Education. The Chancellor shall report all gifts and donations received to the State Board of Education.

5. The President will provide to the donor a letter of gift receipt.

POLICY NAME: 321.01	**Copyright, Trademark, and Patent Ownership**
EFFECTIVE:	03-24-05
SUPERSEDES:	321.01 issued 12-08-94
SOURCE:	
CROSS REFERENCE:	

1. An employee has the right to trademark or copyright any literary material and to patent any inventions unless duties of the employment contract or program agreement charges the employee with, or includes, the duty of producing material for the institution to copyright or trademark, or to develop an invention for the institution to patent.

2. The employee shall be entitled to all profits earned from copyrighted or trademarked materials or patented inventions developed exclusively on the employee's time and without the use of institution funds, materials, or facilities.

3. Copyrighted or trademarked material or patented inventions developed totally or partially on institution time with the use of institution materials or facilities or with institution funding shall be owned by the institution.

POLICY NAME: 322.01	**Institutional Membership**
EFFECTIVE:	03-24-05
SUPERSEDES	322.01 issued 12-08-94
SOURCE:	
CROSS REFERENCE:	

1. The institution may maintain affiliation through institutional membership in appropriate commissions and agencies at the local, state, regional, and national levels. Individuals may represent the institution through these memberships.

2. The institution may maintain membership in various local chambers of commerce in order to promote the institution and the institution's involvement in the community.

3. The institution shall not expend any funds, regardless of source, to purchase membership in any organization which discriminates on the basis of race, national origin, sex, or religion.

POLICY NAME: 309.01	**Purchasing**
EFFECTIVE:	03-27-08
SUPERSEDES:	309.01 issued 12-08-94; 02-24-05
SOURCE:	*Code of Alabama* 41-16-50; 41-16-51; Letter
CROSS REFERENCE:	Policy 504.01

1. When making purchases, the College shall refer to the Alabama Competitive Bid Law to ensure that all legal requirements are met in the purchase process. The most recent Bid Law changes are included in ACT 2008-379. The College is governed by the bid laws that apply to state and local agencies detailed in the 1975 Code of Alabama Sections 41-16-50 through 41-16-63.
2. All personal property acquisitions estimated to exceed $100,000 shall be submitted to the State Board of Education for approval. The Chancellor shall prescribe the format for submittal by the institutions. All requests for State Board of Education approval must be submitted to the Chancellor 60 days prior to the Board meeting at which this would become an action item.
3. It shall be a breach of ethical standards for any employee who is involved in purchasing to become or be, while such an employee, the employee of any party contracting with the particular governmental body in which the employee is employed.
4. Institutions under the direction and control of the State Board of Education must make every effort to afford equal access and opportunities to minority professionals and businesses. The Chancellor shall issue guidelines and a reporting format to address and document such efforts.

5. **Bid Law: Section 41-16-50 of the Code of Alabama as amended generally defines contracts for which competitive bidding required generally as follows:**
   a. With the exception of contracts for public works whose competitive bidding requirements are governed exclusively by Title 39, all expenditure of funds of whatever nature for labor, services, work, or for the purchase of materials, equipment, supplies, or other personal property involving fifteen thousand dollars ($15,000) or more, and the lease of materials, equipment, supplies, or other personal property where the lessee is, or becomes legally and contractually, bound under the terms of the lease, to pay a total amount of fifteen thousand dollars ($15,000) or more, made by or on behalf of any state trade school, state junior college, state college, or university under the supervision and control of the State Board of Education, the city and county boards of education, the district boards of education of independent school districts, the county commissions, the governing bodies of the municipalities of the state, and the governing boards of instrumentalities of counties and municipalities, including waterworks boards, sewer boards, gas boards, and other like utility boards and commissions, except as hereinafter provided, shall be made under contractual

agreement entered into by free and open competitive bidding, on sealed bids, to the lowest responsible bidder.

6. Bid Procedures

a. The following information must be provided to the *Administrative Assistant to the Dean of Finance* who prepares and submits bids:

- Specifications
- At least three prospective vendors with addresses
- Delivery date required and any other special conditions or terms

b. The Dean of Finance will review and approve all submissions.

c. Competitive bids will be invited from parties specified and any other vendors who have asked to be placed in the college bid file or any other known responsible bidder. Bids are recommended for all major purchases to take greatest advantage of price competitiveness. Date, time and location for bid quote delivery are specified in bid advertisement.

d. Bid invitations are generated from the specifications received. When bid invitations are sent, TSTC gives the bidders twenty one days to receive the invitation, process the information, and return a response or bid quote.

e. No late bid quotes are accepted. FAX quotes are not accepted. Bidders are requested to send a response to the bid invitation even if they do not wish to bid on the bid items.

f. Business Office records bid proposals, bid bonds, and other documentation at the bid opening. At least two employees must be present at the bid opening.

g. After the bid opening, Business Office notifies Budget Manager(s) to review bid documents for determination of lowest responsible bid.

h. After the appropriate low bidder is determined the Budget Manager should notify the Administrative Assistant to the Dean of Finance so a letter of award can be prepared to notify bidders of selection/non-selection.

i. Original bid documents are maintained in the Business Office for review by the Examiners of Public Accounts.

j. The department requesting the bid should then prepare a requisition for the items to be purchased. Procedures for requisition preparation in a subsequent chapter.

7. Credit Card Purchases

a. The credit cards may be used for authorized expenditures. No personal use of the credit card is authorized.
b. The College credit cards (VISA, Wal-Mart, Office Depot, Sears, etc.) maybe checked out in the Business Office with the Administrative Assistant to the Dean of Finance. Should she not be available any other Business Office employee may assist in checking out the credit card.
c. Use of credit card: Regular purchasing policies and procedures apply when using the credit card.
   - Submit a completed purchase request form on-line (except gas purchases).
   - Receive a purchase order number.
   - "Sign out" credit card from Business Office and provide copy of purchase order.
   - Order merchandise.
   - Return and sign in credit card with signed receipt on same business day.

8. Gas purchases (do not require purchase order):

a. Sign out gas card.
b. Return and sign in card to Business Office with signed receipt of purchase on same business day.

Failure to comply with the terms for the use of the credit card may result in suspension of the use of credit card.

9. Budget Center Purchases-Joint Purchase Agreement (JPA) and Office Depot

The College operates in compliance with ACCS policy to procure quality products and services at a competitive price from suppliers and contractors who can best meet our functional, quality, schedule and service needs. Budget managers will be responsible for their own purchases. The College has established shared log-in's for designated vendor websites. The purchasers will be able to shop and hold items to allow for the generation of a purchase request

a. Upon receipt of the purchase order, the purchaser will forward the PO information to the designated business office personnel for order placement. All established accounts function essentially the same with limited differences between the accounts

b. Software and hardware purchases should be coordinated with the IT Department to ensure that compliant models are purchased.

c. On-line access has been established for all budget center purchasers for Office Depot and CDW-G.

i. Log-in to the Office Depot website: http://business.officedepot.com/
    a. Click on My account tab & login. (Global Login: 3344204200 & global password: TSTCorder1)
    b. Shop for the desired items at the best price.
    c. Add the desired items and quantities to the cart.
    d. Click on the "Check Out" button.
    e. On Checkout Page:
        1. Enter your e-mail address (Located under Email options).
        2. Select the correct shipping address (Please do not change the default address).
        3. Review the order information section.
            a) Enter "0" for the PO number.
            b) Enter your name in the contact field.
            a. Enter your phone number in the contact phone field.
        4. Click the Update Cart button at the bottom of the page.
        5. Click on the "Put this order on Hold" button at the bottom of the page.
        6. Print or save the order confirmation page with the order number for your records.
    f. Complete the online purchase requisition process.
    g. Once you receive your approved PO, Forward PO and order number to the designated business office personnel.
    h. Orders will be reviewed and released daily. (Note: Orders will be reviewed as timely as possible during registration.) Designated Business office personnel will update the order with the PO number and release the orders.

ii. Log-in to the CDW-G website: **http://www.cdwg.com/alpostsecondary**
Click on login in the top left corner. (Global Login: Trenholmcdwg & global password: cdwgorders1)
    a. Shop for the desired items at the best price. We are under 2 different contracts (AL Postsecondary Education and National IPA) with CDW-G. If you are asked to choose your price, select the best price. Each contract offers free ground shipping.
    b. Add the desired items and quantities to the cart.

c. Create standard quote include Buyer's Name as the quote description.
    1. Verify the shipping address
    2. Enter your Name, phone number, and email address and click continue
    3. Verify that the free shipping option is selected and click continue
    4. Review your items and click request a quote to use for your purchase request.
    5. Enter your name for the Quote Description.

d. Complete the online purchase requisition process.
e. Log back into CDW-G and click on account center.
f. Scroll down to recent quotes find your quote and click on it.
g. Verify the items against your PO and click checkout.
h. Select a shipping method (Free ground shipping) and click continue.
i. Click the Net Terms button, enter your PO # in the purchasing reference section, and click continue
j. Review your order before clicking place order.
k. Once you order a confirmation email will be sent to the email address that you entered in the quote process
l. CDW-G processes and ships ground (3-5 day) for free.

POLICY NAME: 309.02	**Single Source and Sole Source Vendors**
EFFECTIVE:	03-27-08
SUPERSEDES:	
SOURCE:	New
CROSS REFERENCE: State Board Policy 309.02	

1. A contract or purchase order for a required or designated commodity, service or equipment may be awarded to a sole source supplier or single source vendor only when it is justified in writing and approved by the Chancellor of the Department of Postsecondary Education. The Chancellor shall report to the State Board of Education all sole/single source contracts.

2. The request for a sole/single source purchase must be based on the institution's investigation, evaluation, and documentation of alternate sources of supply. Rejection of similar products must be based only on their failure to meet specific and necessary specifications. A listing of the unique technical specifications required of the product and the potential companies contacted in the search for alternate sources must be included as well as the evaluation of those products. No vendor shall be used to assist the institution in writing any sole source documents.

3. Approval for a sole source supplier or single source vendor shall be given only if the institution establishes that no other vendor offers substantially equivalent goods or services that can accomplish the purpose for which the goods or service is required.

4. If Single Source or Sole Source purchases are required, the appropriate Dean must prepare a written request containing technical specification and companies contacted in the search for alternate sources. The written request must be forwarded to the College President who will in turn make such a request of the Chancellor of the Department of Postsecondary Education.

POLICY NAME: 323.01	**Code of Ethics in Procurement and Contracting**
EFFECTIVE:	03-24-05
SUPERSEDES:	323.01 issued 12-08-94
SOURCE:	
CROSS REFERENCE:	

1. Employees shall discharge their duties and responsibilities fairly and impartially. They also shall maintain a standard of conduct that will instill public confidence in the integrity of the institutions.

   <u>Section 41-16-60</u>

2. Conflicts of interest of members or officers of governing bodies or instrumentalities of counties, municipalities and certain state and local institutions generally; making of purchases or awarding of contracts in violation of article.

3. No member or officer of the said state trade schools, state junior colleges, state colleges and universities under the supervision and control of the State Board of Education, the city and county boards of education, the district boards of education of independent school districts, the county commissions and the governing bodies of the municipalities of the state and the governing boards of instrumentalities of counties and municipalities, including waterworks boards, sewer boards, gas boards and other like utility boards and commissions, shall be financially interested or have any personal beneficial interest, either directly or indirectly, in the purchase of or contract for any personal property or contractual service, nor shall any person willfully make any purchase or award any contract in violation of the provisions of this article.

Any violation of this section shall be deemed a misdemeanor, and any person who violates this section shall, upon conviction, be imprisoned for not more than 12 months or fined not more than $500.00 or both. Upon conviction thereof, any person who willfully makes any purchase or awards any contract in violation of the provisions of this article shall be removed from office.

POLICY NAME: 315.2	**Solicitation of Gift or Contribution from Vendors**
EFFECTIVE:	02-24-11
SUPERSEDES:	03-27-08
SOURCE:	State Board of Education Resolution 03-27-08
CROSS REFERENCE:	

1. Employees of the Alabama Community College System shall not solicit any gift or contribution from any vendor or from any entity that they know to be a potential vendor, for the benefit of the institution where such gift is stated or implied by such employee to be a condition of developing or maintaining a business relationship with the institution. No vendor shall be chosen based on a past, present or future contribution to the institution, or to any other institution of the Alabama Community College System. Any solicitation of vendors or potential vendors shall only be as part of broad general/generic appeals to the community at large. No solicitation shall be made of any lobbyist.

2. No employee of the Alabama Community College System or any of its institutions or a member of the household of an employee of the Alabama Community College System or any of its institutions shall solicit or accept anything for the purpose of influencing official action, regardless of whether or not the thing solicited or received is a thing of value, or as allowed by Code of Alabama (1975) §36-25-1 et seq.

POLICY NAME: 309.03	**Purchase Requisitions/Purchase Orders**
EFFECTIVE:	
SUPERSEDES:	
SOURCE: Executive Procedure	
CROSS REFERENCE:	

On-line Requisitioning

Establishing a New User
Supervisors must identify all on-line requisition users by completing and submitting the on-line request form to the Business Office. *Submit all* requests for unrestricted accounts to the *Administrative Assistant to the Dean of Finance* and all restricted forms to the *Director of Restricted Programs.*

Generating a Requisition

1. A Purchase Requisition is generated by the user via on-line requisitioning.
2. Availability of funds should be verified prior to initiating a purchase requisition. (BCBCI AS400)
3. The purchase requisition must be completed in its entirety to include vendor name, address, vendor number, quantity, cost and complete description of item(s) to be ordered, account numbers, etc. *Every effort should be made to obtain a quote for freight/shipping to be included on the purchase order.*
4. Requisitions for bid or state contract items must include the bid or state contract number and item number if available. *This serves as documentation that items purchased are purchased from a bid or state contract.*
5. If new vendors need to be set up in the system the originator is responsible for contacting the vendor and collecting a Form W-9 *(see Exhibit)* and Disclosure Form *(see Exhibit)* (*if applicable*). The Vendor Disclosure Form is needed only if purchase is $5000.00 or more. These forms must be forwarded to *the Administrative Assistant to the Dean of Finance* for input to accounting system. Until the vendor is established, an on-line requisition cannot be processed.

6. If budgeted funds are not available it will be necessary for a budget revision form *(see Exhibit*) to be processed before the on-line requisition can be initiated. *(forms available on the intranet)*
7. After submission via the web your on-line requisition will take the following approval path:
    a. Initiator/Supervisor
    b. Dean
    c. Director of Restricted Programs (*if applicable*)
    d. Business Office
    e. President (if purchase is $5000.00 or more)

<u>Issuance of Purchase Order</u>

1. Once approved a Purchase Order Number is issued to the appropriate vendor.
2. An email notification is sent via the system notifying the user that the purchase order has been issued.
3. The originator prints the purchase order and is responsible for faxing, emailing or mailing it to the vendor. *Please be certain that you are using the purchase order number and not the requisition number.*
4. If checks are requested for a certain date, the originator is responsible for printing the purchase order and forwarding it to the accounts payable office at least 10 business days prior to the date the check is needed.
5. If additional documentation is needed for payment (example registration form) the originator is responsible for submitting that information along with a printed copy of the purchase order to the accounts payable office.
6. To close or void a purchase order requires notification to the *Administrative Assistant to the Dean of Finance and/or Director of Restricted Programs*. If a balance remains on purchase order after payment the initiator needs to request the Business Office to close the purchase order. If the purchase order is not utilized after issuance the initiator must notify the Business Office to close the purchase order.

Manual Requisitioning

The use of a manual requisition is limited to emergencies only and must be approved in writing by the President or Business Office.

Changes in Purchase Orders

a. Increasing quantities, changing or substituting items that were approved on the original Purchase Order is prohibited and considered an unauthorized purchase. Individuals will be held personally responsible.

b. Increases, resulting from freight or price increase in excess of $100 for items ordered require a new purchase order. The original Purchase Order must be referenced on the new purchase order.

POLICY NAME: 360.01	**Petty Cash Disbursements**
EFFECTIVE:	
SUPERSEDES:	
SOURCE:	
CROSS REFERENCE:	

1. Disbursements for purchases made in a single day will be limited to minor expenditures which are not to exceed $15 per day. Sales tax charges are not reimbursable.

2. Purchases exceeding the $15 limit per day will not be reimbursed regardless of the date of the Petty Cash Voucher. *(see Exhibit)*

3. Each disbursement will be documented by completing the standard Petty Cash Voucher, and supported by appropriate receipts:
   a. Each voucher must be filled out completely with appropriate signatures before submitting to the cashier for reimbursement.
   b. Restricted Funds must be approved by the Director of Restricted Programs prior to submitting to the cashier for reimbursement.
   c. The Business Office will forward the completed Petty Cash Voucher back to the remitter via campus mail, who may then present the voucher to the cashier for reimbursement.

4. To replenish the petty cash fund, the cashier will classify all vouchers as to type of expenditure (department charged), and reported in summary form to the Accounts Payable department. Accounts Payable will prepare a check, payable to the TSTC Petty Cash Fund to replenish the fund.

5. Unannounced audits will be performed to ensure the integrity of the fund.

POLICY NAME: 316.01	**Travel**
EFFECTIVE:	03-27-08
SUPERSEDES:	316.01 issued 08-24-00; 12-08-94; 1979
SOURCE:	Policies and Procedures; Act 2000-679 *Code of Alabama 36-7-20 through 36-7-23*
CROSS REFERENCE:	

Payment for Reimbursement of Travel Expenses

The *Code of Alabama*, *1975*, Section 41-4-57 states, "All officers and employees who travel at the expense of the state or any of its departments, agencies, boards, bureaus, or commissions shall file with the comptroller an itemized statement of expenses incurred including those for transportation in connection with such travel at the expense of the state agency, institution, board, bureau, or commission, verified by affidavit, before any warrant shall be issued for such expenses."

In-State Travel Authorization

1. The employee must complete the "Prior Approval to Travel Form" *(see Exhibit)* and obtain the necessary signatures in order to request in-state travel. Reimbursement amounts are based on amounts authorized. Employees whose job duties require frequent or daily travel, within the service area, such as College Recruiter, TEBI Coordinator, technical or instructional support personnel, etc., must complete the "*Annual Prior Approval To Travel Form"* at the beginning of each new fiscal year. Upon approval by the President, the *Annual Prior Approval to Travel Form* must be maintained on file with Accounts Payable as authorization to travel.
2. Meeting agendas, program brochures, or other appropriate documentation must be attached to the form.
3. Once the "Prior Approval to Travel Form has been signed by the President authorizing the travel, the President's Office will forward a copy to the employee and Human Resources via e-mail and the original is sent to Accounts Payable.
4. No employee is authorized to travel unless such travel has been approved by the President.
5. Travel reimbursement will not be made unless the authorized "Prior Approval to Travel Form" is on file in Accounts Payable.

6. Travel reimbursements will be processed upon approval of respective Dean or Supervisor.
7. Personal vehicles may be used to travel campus to campus; however, if a College vehicle is available, employees are encouraged to use them.

In-State Reimbursement Form

1. Employees who travel in-state must submit an In-State Travel Reimbursement Form. IRS regulations require an accounting within 60 days of the end of the trip. Any amounts not reported within 60 days must be added to the traveler's taxable W-2 earnings, and associated taxes must be withheld from the traveler's next paycheck.
2. At fiscal year-end additional instructions will be provided by the business office concerning the dates that travel reimbursements must be submitted**.** **If reimbursements are not submitted in the requested time period at fiscal year end, they will not be reimbursed in a subsequent fiscal year.**
3. The In-State Travel Reimbursement Form can be found on the College intranet.
4. The form must be typed or in ink, have all required signatures. All signatures are required to be original signatures.
5. The points of travel must be shown for reimbursement of mileage. In addition, the hour of departure and the hour of return to base must be shown on the expense form.
6. Emergency and necessary expenditures incurred in connection with travel require supporting documentation and should be held to a minimum.

Reimbursement for Mileage Expenses

1. The reimbursement rate for mileage expenses is equal to the mileage rate allowed by the Internal Revenue Service.
2. Persons traveling on official business for the college in privately owned vehicles shall receive the current mileage rate per mile in lieu of their actual expenses for transportation. The current mileage rate can be found at http://www.irs.gov. Mileage is to be reported in whole miles. To calculate

the amount to be reimbursed, all mileage listed on the travel form must be totaled and then multiplied by the applicable rate.

3. All employees are encouraged to request the use of a college vehicle. The employee will be reimbursed for travel at the state rate when traveling in their personal vehicle is approved.
4. For employees traveling in private automobiles, current map mileage must be used where mileage is claimed from physical address to physical address which includes claims for in-city travel. The mileage may be obtained from several sources including, www.maps.yahoo.com, www.mapblast.com, www.randmcnally.com, etc. The printout of the current map mileage must be attached to the expense form. *Please note: the State of Alabama mileage chart will be used if the mileage map is not attached to the expense form. The chart is available on the College intranet.*

5. Each employee has only one base which should be notated on the reimbursement form as Patterson Campus, Trenholm Campus, etc. If an employee works at more than one location, their base is the location in which they spend more time.
6. Mileage between your home and your base are personal commuting expenses. Employees cannot be reimbursed for personal commuting expenses no matter how far their home is from their base. Employees cannot be reimbursed for personal commuting expenses even if they work during the commuting trip.
7. Employees are entitled to mileage allowance from their base station to destination and return or for miles actually traveled from home to destination and return, whichever is less. *(Attorney General Opinion 80-00144)*
8. Employees who work at two campuses in one day are entitled to reimbursement for the mileage traveled. The official distance between the Patterson Campus and the Trenholm Campus is computed at eight (8) miles.

Per Diem Allowance

1. No travel allowance shall be paid for a trip of less than six hours' duration. For travel that does not require an overnight stay, the traveler shall be paid a meal allowance of $11.25 for a trip of six to twelve hours duration. For travel in excess of twelve hours duration, the traveler shall be paid $30.00, which represents one meal allowance ($11.25) and one-fourth of the per diem allowance ($18.75).
2. Employees within reasonable travel distance from their home or base are expected to return to their home base. Individual circumstances will determine what is reasonable, but generally travel anywhere in-state does not require an overnight stay. Exceptions to the policy must be approved by the President.
3. If any meal is provided to the traveler, they are not entitled to the meal allowance. When meals are provided to the employee, the amount allowed for meals is to be adjusted downward by $11.25. When meals are provided, no meal allowance will be paid to travelers for a trip of six to twelve hours' duration and travelers with a trip in excess of twelve hours' duration will only be entitled to $18.75, which is one-fourth of the per diem allowance. Meal allowance is a taxable benefit to the recipient.
4. Under no circumstances will an employee be paid an overnight allowance or a meal allowance at the official base. If college business requires the traveler to be away from the official base on weekends or holidays, the traveler will be entitled to reimbursement for travel on those days.
5. Per diem will be paid at a reduced rate to an employee stationed at the same place in the state for a period of two consecutive months. The per diem is reduced to $56.25 per day (75%) daily rate). The per diem includes all charges for meals, lodging, fees and tips (Attorney General's opinion issued September 8th , 1952, vol.68, p.63).
6. For travel requiring an overnight stay, the traveler may be paid the current daily reimbursement rate for each full day and portion of a day for the duration of travel. The travel allowance is set at $75.00 per day effective September 8, 2005. The travel allowance includes all charges for meals, lodging, fees, and tips.

7. If the individual's travel is interrupted for personal convenience or through taking leave, the travel allowance may not exceed the costs that would have been incurred for authorized uninterrupted travel.

8. **Required Receipts**

Receipts are required to support the following expenses:

a. Registration fee receipts must name the individual registered.
b. Operating expenses of state-owned vehicles such as gas, oil, emergency repairs, or parts. Receipts must be itemized less federal tax.
c. Postage
d. Shipments, freight, or express
e. Tolls for tunnels and bridges
f. Telegrams, cablegrams, and fax messages. A copy of the message or a description of the message should be attached.
g. Parking fees, taxi fees

Miscellaneous expenses: receipts must be itemized and conform to the requirements of the College's purchasing policies.

9. Out-of-State Travel
    a. Persons traveling in the service of the college outside the State of Alabama shall be allowed all actual and necessary expenses, in addition to the actual expenses for transportation provided that such travel shall have first been fully authorized.

10. Out-of-State Travel Authorization
    a. The employee must complete the "Prior Approval to Travel Form" and obtain the necessary signatures in order to request out-of-state travel. Reimbursement amounts are based on amounts authorized.
    b. No employee is authorized to travel unless such travel has been approved by the President.
    c. Meeting agendas, program brochures, or other appropriate documentation must be attached to the form.
    d. Once the "Prior Approval to Travel Form has been signed by the President authorizing the travel, the President's Office will forward a copy to the employee and Human Resources via e-mail and send the original to Accounts Payable .

e. Travel reimbursement will not be made unless the authorized "Prior Approval to Travel Form" is on file in Accounts Payable.
f. The Prior Approval to Travel Form for the College has been updated due to recent changes in the Board Policy for *Out-of-State* travel. On the updated form the *"Employee Name"* and *"Employee Title"* must be written exactly as it appears on official college records. This information is needed because all out-of-state travel must be reported to the Chancellor. The requested information will be captured from the approval form and sent to the Chancellor bi-monthly by the Dean of Finance and Administrative Services.
g. The College will report out-of-state travel to the Chancellor prior to the actual travel. The Chancellor will report all out-of-state travel to the State Board of Education.
h. Travel that was approved but not accomplished should be cancelled by reporting this information to Accounts Payable and Administrative Assistant to the Dean of Finance.

11. **Mode of Transportation**

a. Each department is responsible for selecting the mode of transportation that is the least costly to the college. Reimbursement to the employee will be made based on the least costly to the college regardless of the mode of transportation chosen by the employee.
b. All out-of-state travel will be of tourist class when commercial transportation is employed. After the department selects the mode of transportation and obtains approval, deviations are not allowed unless an amended request is submitted and approved.
c. If no amended request is approved, the traveler is only entitled to reimbursement for actual and necessary expenses incurred based on the authorized mode of travel.
d. Reimbursement for travel on an authorized out-of-state trip of 200 miles or more for one employee by private automobile will be the lesser of the prevailing plane fare rate, tourist class, or the usual rate per mile. If an employee desires to use his private automobile on such out-of-state trips and claims tourist class plane fare, he must

take annual leave for travel time to and from his destination beyond that time which is required for commercial air travel.

12. **<u>Reimbursement for Mileage Expenses</u>**

a. For reimbursement of mileage expenses for persons traveling in privately owned vehicles, refer to the in-state travel section titled "Reimbursement for Mileage Expenses".
b. In addition, State-owned automobiles should not be used for out-of-state trips of 200 miles or more unless two or more people are attending the same meeting.

13. **<u>Reimbursement of Actual Expenses</u>**

a. Employees who travel outside the State of Alabama in the service of the college must complete and submit an itemized Out-of-State Travel Reimbursement Form. .
b. The approved Out-of-State Travel Request Form must be typed or in ink, and have all required signatures. All signatures are required to be original signatures. The points of travel must be shown for reimbursement of mileage. In addition, the hour of departure from and the hour of return to base should be shown on the expense form.
c. Emergency and necessary expenditures incurred in connection with travel require supporting documentation and should be held to a minimum.
d. The traveler is to be reimbursed for actual expenses for meals when traveling out-of-state. Itemized receipts are required that indicate what was purchased; date, name, and location of the restaurant, and the number of persons served as well as cost itemization.
e. Breakfast will only be allowed for travel that begins at 6:00 a.m. or before and a dinner meal will be allowed if the traveler returns to base after 6:00 p.m. Meals are to be reasonable for the location and

individuals will not be reimbursed for alcoholic beverages. (check with Billy on research)

f. The amount paid as tips for personal service charges and baggage handling should be included on the travel expense form. The amount of these expenses should not exceed the usual and customary charges for these services not to exceed $5.00 per day. The cost of tips paid for meals should be included on the travel expense form as part of the cost of the meal. The cost of tips paid for baggage handling should be itemized on the travel expense form in the miscellaneous section with the date paid. (check with Billy on research)

14. **Required Receipts:** Receipts will be required for the following expenditures:
    a. Commercial transportation - coach/tourist class
    b. Vehicle rental – the college does not pay for rental insurance
    c. Gasoline purchases – actual
    d. Motel/hotel lodging – single rate only
    e. Registration fees with itemized breakdown. Request for reimbursement for additional meals is illegal and will be disallowed when included in registration fee.
    f. Operating expenses of state-owned vehicles, such as gasoline, oil, and emergency repairs. Repairs must be itemized.
    g. Parking fees
    h. Taxi fees
    i. Miscellaneous expenses – receipts must be itemized.

15. All supporting documentation should be securely attached to the expense form. The expense form should be assembled so that all information is visible and easy to read. Small receipts should be secured to a separate piece of paper before attaching to the expense form.

16. **Payment for Advance Travel and Prepaid Travel Expenses**

    a. No prepayment of travel expenses will be made from one fiscal year's appropriation when the trip is to be made in a different fiscal year.

b. Prepayment of expenses cannot be made with funds from the current budget fiscal year appropriation when the trip will occur in the following budget fiscal year.
c. Payments related to prepayment of travel expenses must be processed in the fiscal year that the trip occurs.

17. **Prepaid Travel Expenses**

a. Prepayment of travel expenses is defined as payments made directly to a vendor/employee prior to the travel event.
b. The College will pre-pay lodging expenses, registration fees, and airline ticket expenses.
c. The individual must be a full-time employee of the college.
d. Contract individuals are not eligible.
e. The employee must complete a purchase order prior to requesting the use of the purchase card for prepaid travel expenses.
f. The College will take appropriate action to recover public funds should the trip be cancelled.
g. Appropriate documents should be included with request i.e hotel confirmations and registration.

18. **Student Travel**

Student travel is considered as "required" if the travel is necessary for the student to fulfill the requisites of a course or to participate in an official activity, and the trip is organized by the College and involves the supervision of College faculty or personnel. Students do not receive per diem, however, during travel, it may be necessary to provide meals for students.

a. **Funding Student Trips**

i. The respective department will issue purchase requisitions as required to process requests for student travel. The purchase requisition amount for student food allowances will be advanced in accordance with the selected *meal allowance option* as stated below. The Advisor is responsible for reconciling expenses after the trip.

ii. Reimbursement for travel expenses for College personnel accompanying student travel groups will be in accordance with the current college travel policy. Regular meal and subsistence allowances will be in effect and the college travel policy will govern the payment and reimbursement process for college personnel.

b. **Meal Allowances:** The following student amounts should be used for meals. Any deviations must be supported by detail and approved in advance for each trip: (a) short trips, less than 10 hours, $15 for two meals; (b) long trips of 10 hours or more $20.00 for three meals; and (c) a maximum of $30.00 per day for overnight trips. Directors/Advisors may choose from the following meal provision options:

i. **Option 1: Credit Card (<u>Receipts are required</u>)**

1. Advisors may request the use of a college credit card to pay for student meals for planned trips.
2. Advisors must submit a completed purchase request form on-line and receive a purchase order number.
   a. The purchase request must include the list of students and total amount needed to cover the cost of student meals only.
3. College advisors accompanying groups using this option will be reimbursed in accordance with established college subsistence allowances and travel policy.
4. No meal allowance is authorized for <u>employees</u> for trips in town or for trips less than six hours in duration away from home base (Montgomery County).

ii. **Option 2: Single Check Issued to Advisor**

1. Group advisor may choose to have the entire group eat together for all meals and account for the meal expense as a group expense.
2. A purchase order, along with a complete participant list, must be submitted to Accounts Payable at least 10 days prior to travel.
3. College advisors accompanying groups using this option will be reimbursed according to established subsistence allowances and in accordance with the college travel policy.
4. No meal allowance is authorized for employees for trips in town or for trips less than six hours in duration away from home base (Montgomery County).

iii. **Option 3: Student Stipend**

1. The College may establish a student stipend appropriate for student expenses in consideration of the trip duration and the place which is visited.
2. Only student participants who travel will be entitled to the stipend.
3. College advisor must provide a check request for each student to Accounts Payable at least ten days in advance.
4. Accounts Payable will issue each student a check accordingly. Student signatures are required when checks are picked up.
5. No meal allowance is authorized for <u>employees</u> for trips in town or for trips less than six hours in duration away from home base (Montgomery County).

c. Accountability

i. Within 72 hours of returning from the trip, the trip advisor must submit to the Business Office (1) a completed student travel receipt; (2) original itemized restaurant receipt(s) for the meal(s); and (3) any excess cash.

ii. The college cashier will issue a receipt which should be attached to the detailed reconciliation expense report.

iii. **If all cash is not accounted for upon returning from the trip, the employee who received the cash is held personally responsible and payment is due immediately.**

POLICY NAME:	**Business/Work Session Meals**
EFFECTIVE:	
SUPERSEDES:	
SOURCE:	
CROSS REFERENCE: 2006 Alabama Code – Section 36-7-20	

1. The President has exclusive authority to approve payment for a meal with a ***business meeting* /work session** if the ***business meeting*** meets the criteria described below.

2. Administrators are expected to exercise prudent judgment in requesting meals with ***business meetings*** and to apply this policy to ensure that employees are not treated differently under like circumstances.

3. **Business meetings** Include, but are not limited to, special meetings or work sessions, conferences, conventions and formal training sessions

4. Criteria for Official Business/Work Sessions
    a. The meal is an **integral part** of a ***business meeting* or work session:** when, in the interests of time, the meeting stays in progress while the participants are eating their meal, or if breaking for an un-sponsored lunch would make it impossible to complete the meeting or training event on time.

    b. **Advantageous to the College:** A meal with meetings is advantageous to the College when the business meeting is directly work-related and the meal is served in order to facilitate timeliness of the meeting or to limit additional travel expenditures

    c. Activities are authorized by respective College officials and performed by employee(s) in order to accomplish program requirements or as required by the duties of his or her position or office.

5. **Payment Approval Procedures:**
    a. A meal that meets all of the above criteria will be approved for payment when a properly completed Purchase Request that includes the purpose, place and names of attendees has been authorized and approved.

    b. The Purchase request must be submitted at least five days in advance of the event.

    c. A meeting agenda must accompany the request.

    d. Upon completion of event, requestor must submit detail receipts of all charges. Alcohol is not an allowable expense.

POLICY NAME:	**Contracts**
EFFECTIVE:	
SUPERSEDES:	
SOURCE:	
CROSS REFERENCE:	

1. **Service Contracts:**
    a. To ensure the college has all the information needed for service contracts, a contract between the vendor and Trenholm State Technical College is needed.
    b. Examples of services that require a signed contract are (but not limited to) license agreements and technical support, etc.
    c. If you are not sure if a contract will be needed, please contact the Dean of Finance and Administrative Services.
    d. No contractual services should be performed until all necessary approvals have been acquired.
    e. If these procedures are not followed and a vendor begins work without approval the responsible individual may be personally liable for payment of any fees earned.
    f. All contracts, license forms, and agreements must be submitted to the Dean of Finance and Administrative Services. After review by the Dean of Finance and Administrative Services, they are forwarded to the appropriate signatory and a copy returned to the department or contractor, as required.

2. **Personal Service/Consultant Contracts: Employee vs. Contractor**

The College utilizes various individuals to provide instructional and other services. These individuals may be employees or independent contractors. The IRS publishes rules to govern the treatment as employees or independent contractors in its *Publication 15 – Circular E Employer's Tax Guide and Publication 15A – Employer's Supplemental Tax Guide*. Generally, a worker who performs services for the College is an employee if the College has the right to control what will be done and how it will be done. Generally, a person is an independent contractor if the person for whom the services are performed has the right to control or direct only the result of the work and not the means and methods of accomplishing the result. If an employee-employer relationship exists, it does not matter what it is called or how the payments are measured or paid. A person cannot receive a W-2 and a Form 1099 Miscellaneous from the same employer in the same year as a general rule.

3. Personal Service/Consultant Contracts (excluding Training for Existing Business and Industry):

1. Formal contracts/agreements are required for all consultant arrangements in which (a) there is an exchange of monies between the College and the contractor (expenditure and revenue); or (b) the College provides consideration other than money (the services of faculty and/or students, use of campus facility, etc.). The following are procedural steps for preparing a Personal Services Contract: (*see Exhibit)*
    a. The Personal Services Contract template is available on the College intranet. *The project director/initiator will complete the personal services contract which must contain the following information:*
        i. Independent Contractor Name
        ii. Social Security Number or Employer Identification Number
        iii. Independent Contractor Status
        iv. Service to be provided/duties of the contractor
        v. Responsibilities of the College
        vi. Contract Financial Arrangements
        vii. Contract financial arrangements must include contract period and how payment will be provided for services performed.

viii. If contractor is to be paid by the hour, contract financial arrangements must include language to indicate the hourly rate and pay period. Timesheets must be submitted by the contractor to the project director/initiator for approval.

ix. Contract Expiration

2. Project Director will forward completed contract with the appropriate Dean's signature to Business Office at least two weeks prior to the effective date of the contract.
3. Business Office will complete the Request to Fill/Contractor Form if applicable and forward to the President for his signature.
4. President will forward signed Request to Fill/Contractor Form to the Business Office.
5. Business Office will forward Request to Fill/Contractor Form to the Chancellor for approval.
6. Business Office will notify the Project Director of the Chancellor's approval/disapproval.
7. The President will sign the Professional Services Contract on behalf of the College.
8. Project Director/initiator will obtain signature of contractor after receiving approval to hire.
9. Project Director/initiator will collect completed Form W-9 from the contractor.
10. Project Director/initiator will forward signed Personal Service Contract and W-9 to Business Office.
11. Contractor may not begin to perform services until final approval by the President. If such work has begun prior to President's approval the Project Director/initiator may be held personally liable for payment of any fees earned.

a. The director/initiator will complete an on-line Purchase Request in order to encumber the necessary funds and to notify Accounts Payable for a check request.
b. The project director/initiator must prepare and approve a Check Request Form *(see Exhibit)* indicating payment to be made. Once timesheet *(see Exhibit)* and check request form are prepared, they must be forwarded to the Business Office Comptroller.
c. Business Office Comptroller will forward the timesheet and check request form to accounts payable for processing. If contractor is paid from restricted funding sources the Check Request will be forwarded to the Director of Restricted Programs before forwarding to Comptroller.

Training for Existing Business/Industry (TEBI) Contracts:

Trenholm State Technical College solicits training opportunities to existing businesses. TSTC and the Business develop a desired training curriculum. The training may be provided by a TSTC instructor or an outside independent contractor with the desired expertise. The Business dictates the location and timing of the training. The procedures guiding the processing of the training will depend on whether the training is conducted by a TSTC employee or an independent contractor. **Reference TEBI Exhibit.**

TEBI Coordinator and the business/industry agree in principal to a training program. TEBI negotiates the cost of services with the business designated specialist

1. **TEBI drafts a Training Agreement and completes a TEBI Cost Accounting Worksheet.** The Training Agreement specifies the College's agreement to provide services to meet the Businesses' training requirements. The Agreement must be reviewed and/or authorized by:
    a. Appropriate Dean
    b. The Business Office to include the Director of Restricted Programs if applicable
    c. The President
    d. The Business/Industry

2. The process for an <u>independent contractor</u> is as follows: TEBI drafts a **Personal Services Contract:**
    a. A *Personal Services Contract* is required if an independent contractor is employed to conduct the training
        i. Account Payables requires:
            1. The Personal Service Contract at the time of approval
            2. *Time And Attendance Report* for payment of work completed at least ten working days prior to payment
            3. A Check Request must accompany the Time and Attendance Sheet

3. An *Employment Data Sheet* is required if the instructor is a part-time employee, adjunct instructor, full time employee or hourly employee of the College.
    i. Employment Data Sheets must be submitted to HR at the time of approval
    ii. A *Time and Attendance Report* is required for part-time and hourly employees and must be submitted to Payroll by the 18th of the month for end of the month payroll processing

4. Review/Approval Process Flow
    a. A Copy of the original Training Agreement, the Personal Services Contract and the Cost Accounting Worksheet are forwarded to the Dean of Work Force Development for approval and signature.
    b. Upon approval by the Dean, the TEBI Coordinator forwards the approved copies to the Business Office for review and coordination.
    c. If applicable based on Postsecondary threshold the Business Office will complete the Request to Fill/Contractor Form and forward to the President for his signature.
    d. Business Office will forward Request to Fill/Contractor Form to the Chancellor (DPE) for approval.
    e. Upon DPE approval, the Business Office will notify the TEBI Coordinator of DPE's approval, as required.
    f. The President will sign the Professional Services Contract on behalf of the College.
    g. TEBI Coordinator will obtain signature of contractor after receiving approval to hire.
    h. TEBI Coordinator will collect completed Form W-9 from the contractor.
    i. TEBI Coordinator will forward signed personal service contract and W-9 to Business Office.
    j. Contractor may not begin to perform services until final approval by the President. If such work has begun prior to President's approval

the TEBI Coordinator will be held personally liable for payment of any fees earned.

5. Payment for Independent Contractor
    a. The contractor must complete a Time and Attendance Sheet.
    b. The TEBI Coordinator must prepare and obtain proper approval of a Check Request Form indicating payment to be made.
    c. The *Time and Attendance Sheet* and the *Check Request* must be forwarded to the Business Office for proper processing.
    d. If contractor is paid from restricted funding sources both the *Time and Attendance Sheet* and the *Check Request* will be forwarded to the Director of Restricted Programs for review and authorization before further processing.

6. Payment for part-time, adjuncts and hourly employees of the College:
    a. A *Time and Attendance Sheet* is required and the TEBI Coordinator must obtain proper approval of the *Time Sheet* from the Dean of Work Force Development.
    b. The *Time Sheet* must be forwarded to the Business Office for proper processing
    c. If the instructor/trainer is paid from restricted funding sources the *Time Sheet* will be forwarded to the Director of Restricted Programs for review and authorization before further processing.
    d. The Business Office will forward the *Time and Attendance Sheet* to Pay Roll for payment processing.

7. Upon completion of the training, the TEBI Coordinator must provide to Account Receivables a copy of the authorized Cost Accounting Worksheet and the Training Agreement for billing purposes.

POLICY NAME:	**Cash Receipts**
EFFECTIVE:	
SUPERSEDES:	
SOURCE:	
CROSS REFERENCE:	

1. The College cashiers receive funds from various sources for tuition, fees, books, supplies, continuing education courses, live work orders, testing fees, and other miscellaneous sources. The accepted methods of payment to the College are cash, check, Visa and MasterCard. The College does not accept any other credit cards.

2. Tuition and fees may be paid in person at the cashier window or online. Students have the ability to pay for tuition and fees online by accessing their student account via the internet.

3. The College offers job placement testing to the community. The fees are paid at the time of testing via cash, check, Visa, or MasterCard. Fees collected must be forwarded to the college cashier for daily processing.

4. The College offers continuing education classes to the community. Participants register with the Continuing Education Department via mail, fax, or telephone. The Course fees are paid at the time of registration via cash, check, Visa, or MasterCard. Registration fees must be forwarded to the college cashier for daily processing. The cashier attaches the registration form to the receipt and attaches both to the daily receipts recap.

5. All checks received by the College in areas outside of the Cashier Function, must be forwarded to the Operations Accountant in the Business Office to initiate receipt processing. The Operations Accountant restrictively stamps the checks, logs the checks in the Business Office Check Log, and provides a copy of the checks to the Accounts Receivable Accountant for coding. The Operations Accountant forwards the coded check copy and original check to the college cashier for receipt in the accounting system Daily receipts must be deposited within (3) business day.

6. Acceptance of *starter checks* requires appropriate identification to include the student number and driver's license number.

POLICY NAME: 324.01	**Capital Assets**
EFFECTIVE:	03-24-05
SUPERSEDES:	324.01 issued 09-28-00; 10-26-95
SOURCE:	
CROSS REFERENCE:	State Board Policy 324.01

1. Each institution shall capitalize all property acquired by the institution in accordance with the amount prescribed by current federal government regulations for capitalization.

2. Each institution shall conduct an annual physical inventory of capitalized items and reconcile to the financial statement for the corresponding fiscal year.

3. A physical property inventory shall be established to include all nonconsumable institutional personal property except all livestock, animals, farm and agricultural products under the control of a System institution. Each institution shall capitalize all property acquired by the institution in accordance with the amount prescribed by current federal government regulations for capitalization. The inventoried amount is computed as the cost of the asset plus any and all costs associated with taking physical control of the asset. The inventory shall show the complete description, manufacturer's serial number, acquisition cost, date of purchase, location, responsible officer or employee, and the college property control number.

4. An employee must be designated as property manager. Except for books, the property manager shall make an annual physical inventory of all applicable personal property. A copy of the inventory shall be submitted to the Dean of Finance and Administrative Services by September 30 of each year for reconciliation to the financial statement for the fiscal year. Each inventory shall include all property acquired since the date of last inventory. When a physical inventory fails to locate property items listed on the previous inventory, then a complete explanation accounting for the property or the disposition thereof shall be attached to the inventory and submitted to the Dean of Finance and Administrative Services. All property managers shall maintain a copy of all inventories submitted to the Dean of Finance and Administrative Services and the copies shall be subject to examination by any and all state auditors, employees of the Department of Examiners of Pubic Accounts, or the Chancellor or Department of Postsecondary Education staff.

5. Each property manager shall be the custodian of, and responsible for, all physical property of the institution. When any property is entrusted to other employees or officers, the property manager shall require a written receipt of the property so entrusted, which receipt shall be executed by the person receiving the property. The employee or officer receiving the property will then be held responsible for that item of inventory.

6. No property shall be disposed of, transferred, assigned, or entrusted to any other department, division, or employee thereof without the written permission of the property manager. The Properly Disposition Form will be required for the disposal or transfer of all equipment.

7. Whenever any property manager ceases for any reason to be the property manager, the Dean of Finance and Administrative Service shall immediately notify the President in writing. College officials shall immediately check the inventories of all property for which the property manager was responsible and the successor to the property shall execute a written receipt for all property received by him or her or coming into his or her custody or control. The last payment of salary due the property manager shall be withheld until a complete reconciliation of the property inventory has been made and approved. In the event of any shortages, the property manager shall not be held accountable for property entrusted to any other employee or officer and for which he or she holds a valid written receipt of the employee or officer. These guidelines do not negate any inventory requirements under Federal Regulations.

8. Proper disposition of capital assets includes the following means:

    a. Transferred to State Surplus Property
    b. Salvage Sale
    c. Disposition at the local landfill which must be witnessed by two college employees.
    d. Transferred to an approved entity.

POLICY NAME: 320.01	**Auxiliary Services**
EFFECTIVE:	03-27-08
SUPERSEDES:	320.01 issued 12-08-94
SOURCE:	
CROSS REFERENCE: State Board Policy 320.01	

1. The institution is authorized to operate or to contract for food services, vending services, bookstores, student housing and other self-supporting activities as a service to, and incidental to, the instructional program of the institution. These activities will be operated on a self-sustaining basis.

2. No institution may have upon its main campus or any branch campus any vending stand owned or operated by any party other than the institution unless the presence of each such vending stand is pursuant to a competitively bid contract between the respective institution and the respective owner and/or operator of the vending stand.

3. Pursuant to the requirement of Section 21-1-41(g) of the *Code of Alabama* (1975), as amended, each President shall cooperate fully with the Business Enterprise Program for the Blind to provide such information and documentation as may be needed by the Business Enterprise Program in the performance of surveys, evaluations, and establishment of concession opportunities for blind vendors preparatory to submitting such a bid.

4. The Chancellor shall issue guidelines assuring the preferential status of licensed blind vendors at each institution. Competitive vending contracts may only be issued in conformance with such guidelines.

Bookstore

Bookstore services are provided by the College for the benefit of the students.

POLICY NAME: 355.01	**Mail Services**
EFFECTIVE:	
SUPERSEDES:	
SOURCE:	
CROSS REFERENCE:	

Mail is distributed daily to faculty and administrative mailboxes on the Trenholm campus. Mail is distributed Monday through Thursday on the Patterson campus. Every effort is made to deliver mail accurately and promptly.

1. TSTC mail operations and services are for official business use only. This service is not for personal items of mail. Employees are not to have personal mail or packages forwarded to TSTC for delivery.

2. The Mail Clerk is responsible for delivery of mail (external and internal) to the mailbox of the addressee. Normal mail delivery/pick up is between 3:00 p.m. and 4:00 p.m.

Daily Distribution and Pickup Schedule:
US Mail/Campus Mail

1. The **Trenholm Campus** mailboxes are located in the Administration Building in room B101. Underneath the mailboxes are mail crates for US Mail (to be metered), Library Tower mail, and Patterson Campus mail.
2. The **Patterson Campus** mailboxes are located in room B101E in the Administration Building. Crates for US Mail (to be metered), and Trenholm Campus mail are also located near the mailboxes.
3. The **Library Tower** mailboxes are located in the Library on the 1st floor. Underneath the mailboxes are mail crates for US Mail (to be metered), Trenholm Campus mail, and Patterson Campus mail.
4. **Cosmetology, Message Therapy and Truck Driving** will need to use the Patterson Campus for mail services.
5. **Culinary Arts** will need to use the Trenholm Campus for mail services.
6. The College utilizes Post Office Box 10048, Montgomery, Al 36108 to centralize all incoming mail to the campus. The physical addressees will still be used for shipments from UPS, FedEx, etc.

Packages (UPS, Airborne, FedEx, etc.)
These deliveries come in at all hours during the day and will be available in the cashier's office for pickup. Addressee will be required to sign for deliveries in the applicable campus office.

Exhibits

1. Chart of Accounts (Definitions)
2. Budget Transfer Form
3. Budget Center Authorization Form
4. Check Request Form
5. Petty Cash Voucher
6. Prior Approval to Travel Form
7. Annual Prior Approval to Travel Form
8. In-State Travel Reimbursement Form
9. Out-of-State Travel Reimbursement Form
10. State of Alabama Mileage Chart
11. Personal Service Contract
12. TEBI Coordination/Authorization Process Flow
13. Request to Fill/Contractor Form
14. Employee Time and Attendance Report
15. Disclosure Statement
16. Claim for Uninsured Medical Costs or Personal Property Damage on Institution Property
17. W-9

All Exhibits can be found on the Intranet under the forms tab with the exception of the <u>Request to Fill/Contractor Form</u> which is completed by the Administrative Assistant to the Dean of Finance as applicable.