

# ADMINISTRATIVE REGULATION 6301

SOUTH ORANGE COUNTY  
COMMUNITY COLLEGE DISTRICT

BUSINESS AND FISCAL AFFAIRS

## FISCALLY ACCOUNTABLE

### I. DISTRICT FISCALLY ACCOUNTABLE PROCEDURES AND RESPONSIBILITIES

The Executive Director of Fiscal Services serves as the District's disbursing officer shall:

- A. Have independent access to legal counsel and independent authority to disapprove payments where legal deficiencies exist.
- B. Ensure that salaries and wages are issued in accordance with Education Code, Government Code, Federal/State/Local rules and regulations, and all other laws as observed by the Orange County Department of Education (OCDE).
- C. Issue checks using procedures prescribed by OCDE and the County Auditor-Controller on the County Treasury for all debts and demands against the District when amounts are legally approved.
- D. Be covered by a fidelity bond and separate resolution in the amount of \$1,000,000.
- E. Adhere to the following responsibilities assigned to the District disbursing officer:
  1. Determine that funds are available to cover the payment of the claims/warrants;
  2. Certify that the foregoing review has been performed by signing check registers and approving payroll registers;
  3. Maintain a record of all transactions reviewed together with notations regarding rejected check requests, voids, cancellations, and reversals;
  4. Send notification/reports to OCDE District Accounting with Payroll Register;
  5. Ensure compliance for all Federal/State/Local reporting requirements;
  6. Issue disbursements in accordance with procedures prescribed by OCDE and county Auditor-Controller;
  7. Upload ACH, positive pay, state taxes, Federal taxes, and state disbursement unit (SDU) garnishment files to Wells Fargo;

Adopted: 09-23-13      Revised: 09-18-25  
Revised: 03-14-19  
Revised: 09-07-23

Page 1 of 4

8. Upload Credit Union Vendor report to SchoolsFirst;
9. Send reporting to OCDE District Accounting;
10. Ensure organizational independence between operating, custodian accounting, and auditing functions;
11. Ensure that the handling of receipts and disbursement of funds are separated from the accounting function;
12. Ensure a degree of independence of the District disbursing officer sufficient to maintain positive integrity of responsibilities;
13. Ensure the control of checks and electronic signatures;
14. Ensure the adherence to Board policies and regulations;
15. Provide financial information to the Board and county Superintendent;
16. Ensure that budget controls and procedures are reasonable in accordance with good business and management practices;
17. Prepare financial statements and cost analysis reports;
18. Reconcile the accounts payable and payroll accounts with the County Treasurer;
19. Send total payroll liability amount and check count to OCDE District Accounting;
20. Set up Payroll Revolving Account for wages/salaries paid outside of designated pay period and reconcile payroll revolving account;
21. Vendor Management;
22. Employee Information Portal Services management;
23. Ensure that there are adequate audit trails through operational data processing systems;
24. Process replacement checks, stop payments, cancelled checks;
25. Detect, account for, and recover monies lost due to forged checks;
26. Process garnishments, upload SDU file to Wells Fargo, process and issue all other garnishment vendor checks;

27. Run daily activity report, then upload positive pay file to Wells Fargo daily to capture manual checks issued and/or any changes to the status of the checks (outstanding, voids/cancels, cashed, expired); and

28. Ensure that the Accounts Payable and Payroll Check Audit processes identified in the *Fiscally Accountable Implementation Plans* are followed.

## II. INTERNAL AUDITING PROCEDURES AND RESPONSIBILITIES

The Internal Auditor supports the Executive Director of Fiscal Services by performing the following functions required of a Fiscally Accountable District:

- A. Determining that adequate documentation exists to substantiate the appropriateness and authenticity of financial transactions;
- B. Determining that there has been compliance with budgetary, legal, procedural, and specially-funded program requirements;
- C. Ensuring that the separation of duties is properly controlled;
- D. Ensuring internal controls exist and are maintained between the Purchasing and Accounts Payable Departments;
- E. Ensuring internal controls exist and are maintained between the Payroll and Human Resources Departments;
- F. Ensuring internal controls exist between the Payroll and Accounting Departments;
- G. Coordinating internal and external auditing activities;
- H. Preparing written reports of audit findings and recommendations and submitting them to the Board;
- I. Auditing Revolving Cash Fund and bank accounts;
- J. Auditing the accounts payable disbursements and payroll registers for compliance with laws, regulations, and Board Policies and Administrative Regulations.

## III. CHECK CONTROL

Checks are to be stored in a secured vault room in the District. Access to the room is limited to designated staff.

## IV. SIGNATURE SECURITY AND CONTROL

Electronic signatures of the disbursing officer and check signers will be maintained in a secure manner with access limited to designated staff.

Adopted: 09-23-13      Revised: 09-18-25  
Revised: 03-14-19  
Revised: 09-07-23

V. RECORD RETENTION AND ACCESSIBILITY TO THE PUBLIC

1. The District Records Retention and Destruction Committee will follow the record retentions guidelines as outlined in Board Policy and Administrative Regulation 3310 *Record Retention and Destruction* and the *Records Retention Manual, K-12 and Community College, 2007*.
2. The public is welcome to request or review the Districts' records in accordance with Board Policy and Administrative Regulation 3300 *Public Records*.

*Reference:*

*Education Code Section 85266*