

4.0.000

Fiscal Management

Section 4

Revised: 7/12/17, 8/27/18

SECTION 4: FISCAL MANAGEMENT

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4.0.0000 FISCAL MANAGEMENT

4.1.0000 INTRODUCTION

This manual contains the fiscal policies of the Turtle Mountain Community College Board of Directors, (hereafter referred to as the “Board”). Policy development is a continuous process and, therefore, is never complete. New situations and issues give rise to the continuing need to develop new policies or revise existing ones. This is why the Board employs the loose leaf format for this manual.

The Turtle Mountain Community College, (hereafter referred to as the “College”), operates according to policies established by the Board of Directors. The Board, which represents the best interest of the community, develops policies in accordance with federal regulations and the college administration implements them through specific regulations and procedures. The Board periodically appraises the effects of its policies and makes revisions as necessary.

In the interest of harmony, efficiency, uniformity of interpretation, coordination of effect, and in fairness to all concerned, the Board makes this manual available to all who are affected by its policies. One copy shall remain on file in the administrative offices at all times.

The manual can be viewed on-line at www.tm.edu. Each employee or department is responsible for downloading the most up-to-date version of the policy manual.

4.2.0000 FISCAL MANAGEMENT

2.0010 GOALS

As trustee of Institutional, Tribal, State, and Federal funds designated as educational support, the fiscal office has the responsibility to protect all funds and to use them prudently. The fiscal office also recognizes that the quality and quantity of learning programs are related to both the amount of funding provided and the effective and efficient management of those funds. Therefore, the fiscal office seeks to achieve the following fiscal management goals:

- .01 To provide a level of funding which supports quality education for the students.
- .02 To use the best available techniques for budget development and management.
- .03 To provide timely and appropriate information to all staff members who have fiscal management responsibilities.
- .04 To establish efficient procedures for accounting purchasing, paying vendors and personnel, and all other areas of fiscal management.
- .05 To assure that funds are expended for the purpose for which they were budgeted.
- .06 To provide a complete and accurate accounting to all funding agencies as to the expenditure of awarded funds.

4.3.0000 BUDGET ADMINISTRATION

3.0005 BUDGET COMMITTEE

- .01 The Budget Committee shall be comprised of the President, the Comptroller, and others appointed by the President. The Committee is responsible for timely preparation of the operational budget for presentation to the Board for approval.
- .02 The President or designee is responsible for proper submission and negotiation of the program budgets with the designated funding agencies.

3.0010 BUDGET CHANGES AND AUTHORIZATIONS

Budget changes will be held to a minimum during the fiscal year to assure effective control over the expenses of the College. The President is authorized to sign budget and budget change documents for grants. Operational budget changes between line items is approved by the Comptroller, budget changes between department budgets is approved by department budget officers involved first, then by Comptroller and President. The Board approves any increase in the total operational budget during the fiscal period after the formal adoption.

3.0020 FUNDING SOURCES

Budgets will be prepared upon the availability of funds from, but not limited to, the following sources:

- Bureau of Indian Affairs
- Department of Education
- Department of Health and Human Services
- National Science Foundation
- Turtle Mountain Band of Chippewa Indians
- Tuition and Fees
- Other

3.0030 BUDGET REPORTS

Operating statements showing comparisons of budget with actual expenditures shall be prepared by the Comptroller each month and submitted to the President and the Sponsored Programs Officer for review within the first ten days of the subsequent month. The Comptroller shall submit quarterly reports to the Board at the quarterly all day meetings.

4.4.0000 PROGRAM PERFORMANCE

The Sponsored Programs Officer shall monitor the performance of all programs administered by the College in conjunction with the project director and the fiscal office. Periodic reviews of each program will be performed to assure that time schedules are being met and performance goals are being achieved.

The President shall be responsible for the publication of an annual report reflecting the performance of all College activities taken as a whole.

4.5.0000 ACCOUNTING REQUIREMENTS

5.0010 FISCAL YEAR

The College's fiscal year shall be July 1 to June 30.

5.0020 DOCUMENTATION

Adequate documentation in accordance with the Code of Federal Regulations Uniform Guidance is to be maintained to support all financial transactions recorded in the accounting records. Expenses disallowed under federal contracts are to be identified and paid from non-federal funds. Supporting documents shall be retained in an orderly fashion. Journals, ledgers, subsidiary records, and un-issued checks are to be properly safeguarded by the accounting office and locked up after business hours.

5.0030 MATCHING FUNDS

When funds are needed for matching requirements, the source of these funds shall be identified in order to leave an audit trail prior to the submission of the grant application. This identification shall include:

- The pertinent portion of regulations that allow the funds to be used for such purposes.
- All matching funds must be in place prior to starting the project. Some grantors require that the grantee's funds be used first.

5.0040 ACCOUNTING RECORDS

Accounting records for grant awards shall be maintained based on the beginning and ending dates of the award. All accounting records are to be maintained in accordance with generally accepted accounting principles and in compliance with federal agencies. The budget and accounting systems are compatible and should be maintained accordingly. A double entry bookkeeping system is to be used. The books are to be kept current and shall provide for the consistent identification of all costs. A chart of accounts providing identification of all budget line items shall be established.

5.0050 JOURNAL ENTRIES

The college shall maintain an accurate system for making journal entries. The system shall have the following features:

- .01 A distinct number shall be generated for each journal entry.

.02 The journal entry shall be made on the prescribed form and shall be approved and posted by the Comptroller. Entries made by the Comptroller will be approved by the Accountant Specialist 3.

.03 Documentation supporting journal entries shall be attached to the journal entry form.

5.0060 ANNUAL AUDIT

An annual audit will be performed by a certified public accountant. The audit report shall serve as a final report to the funding agencies and as a management tool for the Board and its committees.

5.0070 BILLING POLICY and PROCEDURE

.01 Billing Notifications: TMCC uses a centralized billing system. Student charges are generated from the number of credits that a student enrolls in at the time of the student registration. The student billing statement will be mailed to the student's permanent address that is listed in the Registrar's office.

.02 All students will be billed. No exceptions will be made. If an employer or outside organization is paying the student's tuition and fees, it will be the student responsibility to submit the billing statement to them.

.03 Tuition and fee charges are billed by the semester. Students with an outstanding balance from previous semesters may be permitted registration access in a subsequent semester.

.04 Students will be responsible to cover all other costs not covered by financial aid.

*Please Note: Students cannot receive official transcripts or diplomas until their account is clear.

5.0080 TUITION AND PARTIAL FEE WAIVER

.01 It is the policy of the College to grant an institutional tuition and partial fees waivers to members of the Board of Directors and Board of Trustees and to full-time regular employees and to their legal spouse and legal children. Legal children defined as biological, legally adopted, legal guardianship, and step-children.

.02 Waivers are granted after satisfactory completion of employee probationary period. If a Board member is appointed during the semester, the waiver is granted starting the first full semester of enrollment after appointment.

.03 The student granted a waiver must maintain satisfactory academic progress as defined by the College catalog.

.04 Institutional tuition waivers are considered a resource applied to the student's financial aid budget.

.05 Only Student Activities Fee will be waived. No other fees will be waived for any type of waiver.

.06 Any other type of balance that is not waived will remain on the individual's account. Examples include but are not limited to lost library books, lost or damaged textbooks, or lost calculator.

5.0090 UNRECOVERABLE TUITION/FEEES AND BAD DEBTS

The Comptroller shall submit a list of potential un-collectable tuition/fees and/or bad debt writes offs to the Presidents for approval.

.01 Individual account balances will remain on record unless certain conditions are met. Under certain conditions tuition and fees except for the registration fee and the text book usage fee portion of individual balances may be written off. Any other type of balance will remain on the individuals account. Conditions for write off:

- Individual has no assets and there is not expectation they will have any in the future
- The individual cannot be located
- The debt is discharged in bankruptcy
- The debtor has died and there is no known estate or guarantor
- It is determined that it is not cost effective to continue collection efforts.

.02 TMCC has the authority to withhold payment of any source of funding from individuals who have an outstanding balance on their accounts with TMCC or any of its affiliates. Types of funding sources could include but not limited to payroll, stipends, or scholarships.

.03 Board will be informed of bad debt write offs.

5.0100 LOST OR STOLEN EQUIPMENT

Lost or stolen capitalized equipment shall be entered as a write off in the plant fund.

5.0110 RECORD RETENTION

In accordance with Uniform Guidance 2 cfr 200.333, financial records, supporting documents, and all other records pertinent to federal awards shall be retained for a period of three years after the award end, with the following qualifications:

- .01 If any litigation, claim, or federal audit is started before the expiration of the 3-year period, the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved.
- .02 Records for real property and equipment acquired with Federal funds shall be retained for three years after its final disposition.
- .03 Current accounting records are to be maintained in the business and fiscal offices. Records acquired in the prior two years to the current period are to be retained in an authorized storage area.

5.0120 CASH DEPOSITORIES

In accordance with the Office of Management and Budget requirements all monies advanced to the College which is subject to the control or regulation of federal agencies must be deposited in a bank with Federal Deposit Insurance Corporation (FDIC) coverage and the balance exceeding

the FDIC coverage must be collaterally secured. Separate bank accounts will be maintained when required by the granting agencies.

5.0140 DIRECT DEPOSITS

- .01 Payroll - Direct deposits to employees checking or savings accounts is required. The employee needs to submit the completed direct deposit form along with a voided check.
- .02 Draw Downs - The business office will complete and submit the appropriate direct deposit form received from the grantor to the appropriate address indicated on the form.

5.0150 SAFEGUARDING OF FUNDS

Safeguarding funds is the responsibility of the Comptroller or designated personnel. All funds received by the College shall be properly recorded and deposited in the appropriate bank account at least semi-weekly or when deemed appropriate. Petty cash, checks and cash which remain un-deposited should be properly safeguarded and locked in a secure location after business hours in accordance with Standards for Internal Control in the Federal Government (aka Green Book). Failure of an employee to safeguard funds or theft of funds will result in disciplinary action up to and including termination.

All employees and persons associated with the College shall adhere to the laws, rules, regulations, and policies of applicable governmental and College authorities and the standards set for in the College's code of conduct.

5.0160 BANK ACCOUNTS

Proper segregation of duties shall be maintained in accordance with Standards for Internal Control in the Federal Government (aka Green Book) Principle 10 Design Control Activities. The bank reconciliation shall be assigned to an Accountant who is not involved in the daily transactions.

- .01 The transfer of funds, except for the general fund, between federal programs is specifically prohibited. Sums appropriated for the various line items per federal grants and contracts shall be applied solely to the objects for which they are specifically made.
- .02 All cash receipts (cash, checks, money orders, etc.) will be receipted by a computerized accounting software program that generates a numbered receipt except cash received through direct deposit.
- .03 Credit/debit card receipts will be receipted by a computerized accounting software that generates a numbered receipt.
- .04 Direct deposits are recorded by using a general journal entry supported by the drawdown request or supporting documents and the bank statement.
- .05 All expenditures will be supported by a Purchase Requisition and the appropriate supporting documentation.

5.0170 CHECKS AND CHECK SIGNERS

Disbursements are made by direct deposit or sequentially numbered checks.

- .01 All checks shall require two signatures. Authorized check signers include members of the Board of Trustees, and Board of Directors, the President and other administrators appointed by the Board of Directors. Signing checks in advance of approval and the practice of drawing checks to cash are prohibited.
- .02 Check signers and business office personnel shall be bonded for at least \$25,000.
- .03 A list of checks outstanding ninety days or longer shall be prepared monthly by the Accountant Specialist. The list shall be reviewed by the Comptroller for determination of actions to be taken.
- .04 "Void after 120 days" shall be printed on the checks.

5.0180 CHECK VOIDING

When checks are voided before being distributed, the signature line shall be cut out and the word 'void' placed on the front of the check. The voided check shall then be placed on file in a voided check file.

5.0190 PETTY CASH

The cash on hand plus the petty cash expense receipts shall always equal total petty cash for each location. At the end of the current month, a petty cash expenditure report shall be prepared and the petty cash account shall be replenished based on actual receipts. The Comptroller or his designee is responsible for oversight of petty cash accounts. See Appendix 4-2 for list of petty cash accounts and amounts.

5.0200 BANK RECONCILIATION

Bank statements shall be reconciled against the general ledger cash monthly.

5.0210 FINANCIAL AID DISBURSEMENTS

- .01 Once Financial Aid office transfers awards to the business office module, the accountant post awards to the Student Accounts Receivable. The financial aid is applied to the students account and the balance is given to the student via check or direct deposit.
- .02 When the checks are written the Director of Financial Aid or Financial Aid Officer will verify the amounts and initial each check.

5.0220 SPONSORSHIPS

Turtle Mountain Community College does not give donations to individuals. However, sponsorships to organizations may be considered by the President.

4.6.0000 VOLUNTARY INSTITUTIONAL WORK PROGRAM

6.0010 PURPOSE

The purpose of voluntary institutional work program is to allow students a means to pay off a portion or all of unpaid tuition and fees.

6.0020 INTRODUCTION

These positions are limited in number. Some positions do not require experience, and some positions will require some experience with computer troubleshooting, Photoshop and/or other layout and design programs, or maintenance equipment. Be sure to list all of your skills and/or certifications with your cover letter and resume or application. Students are not guaranteed work in their preferred department.

6.0030 ELIGIBILITY

- .01 Complete an application
- .02 Students must have an outstanding balance owed to TMCC and have an unmet need or not eligible for financial aid.
- .03 Debt must be more than a year old

6.0040 DEPARTMENTS

The following departments may have work available: Athletics, Print shop, Bookstore, Café, Anishinabe, Maintenance/ Custodial, Technology, Library, Student Services, and Business Office.

6.0050 REQUIREMENTS

- .01 Follow instructions of the supervisor
- .02 Follow TMCC Policies and Procedures
- .03 Be on time for scheduled work hours
- .04 Comply with any dress or safety requirements

6.0060 TERMINATION:

Students will be terminated from the program for the following reasons:

- .01 Continuous tardiness without valid reason
- .02 Failure to show up for scheduled work without contacting the direct supervisor three times
- .03 Insubordination
- .04 Failure to comply with work requirements

4.7.0000 METHODS OF PROCUREMENT

Methods of procurement follow the 2 CFR 200 Uniform Guidance. Any further guidance then is what in policy should refer to the 2 CFR 200 Uniform Guidance. Tribal Employment Rights Ordinance (TERO) will be followed.

7.0010 MICRO PURCHASE METHOD

.01 These are purchases of supplies and services where the aggregate dollar amount does not exceed \$3,500, or \$2,000 in the case of acquisition for construction subject to Davis-Bacon Act or \$2500 for services subject to contract labor standards (41 USC 67).

7.0010 SMALL PURCHASE METHOD

- .01 These are purchases of services, supplies, or other property that do not exceed the cost of the simplified acquisition threshold. (48 CFR 13 - simplified acquisition threshold applies to purchases over \$3,500 and under \$150,000)
- .02 Price or rate quotations must be obtained from an adequate number of qualified sources. At least two to three quotes should be obtained. If the item to be purchased is sole source, it must be documented.

7.0020 SEALED BID

Procurement by sealed bids (formal advertising) are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with the all the material terms and conditions of the invitation for bids, is the lowest in price.

All contracts shall require a minimum of three bids whenever possible. Selection will be made taking into consideration the quality of materials or services desired and their contribution to program goals and shall conform to Tribal Ordinances.

- .01 Sealed bid method is considered feasible for construction if all of the following are met:
 - A complete, adequate, and realistic specification or purchase description is available,
 - Two or more responsible bidders are available and will provide to compete effectively for the business; and
 - The procurement lends itself to a fixed price contract and the selection of the successful bidder can be made principally on the basis of price.
- .02 Sealed bid requirements are as follows:
 - Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening of bids. The invitation for bids must be publicly advertised.
 - The invitation for bids, which includes specifications and pertinent attachments, must define the items or services in order for bidder to properly respond;

- All bids will be opened at a time and place prescribed in the invitation for bids, and opened publicly.
 - A firm fixed price contract award will be in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of.
 - Any or all bids may be rejected if there is a sound documented reason.
- .03 When bid procedures are used for construction, advertisements will be made according to grant requirements and specifications and bid forms will be mailed to the approved bidders.
- .04 Bid other than construction. In addition, suppliers and contractors shall be invited to have their name placed on mailing lists to receive invitations to bid. When specifications are prepared, they shall be mailed to all suppliers and contractors who have indicated an interest to bid.
- .05 The bidder to whom an award is made may be required to enter into a written contract with the College.
- .06 Bonding requirements for construction and facility improvement contracts or subcontracts, the minimum requirements must be as follows:
- A bid guarantee from each bidder equivalent to five percent of the bid price. The bid guarantee must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as many be required within the time specified.
 - A performance bond on the part of the contractor for 100 percent of the contract price. A performance bond is one executed in connection with a contract to secure fulfillment of all the contractor's obligation under such contract.
 - A payment bond on the part of the contractor for 100 percent of the contract price. A payment bond is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

7.0030 COMPETITIVE PROPOSALS

This method will be used when a sealed bid method is not feasible. The requestor obtains prices from more than one provider.

- .01 If this method is used then the following applies:
- Request for proposal must be publicized, identify all evaluation factors and their relative importance, and be provided to an adequate number of vendors; and
 - Proposals must be solicited from an adequate number of qualified sources;
 - Must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

- The award will be given to the proposal that is the most advantageous to the program, with price and other factors considered; and
- May use competitive proposal procedures for qualification-based procurement of architectural/engineering professional services whereby competitors' qualifications are evaluated and the most qualified competitor selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are potential source to perform the proposed effort.

7.0040 NONCOMPETITIVE PROPOSALS

Solicitation for proposals is from only one source or competition is considered inadequate.

.02 .01 This method is only allowed if the other three methods are infeasible and one of the following apply:

- Item is available from only one source, or
- Item is public emergency and time does not allow for solicitation process,
- The Federal awarding agency authorizes noncompetitive proposals, or
- After solicitation, competition is determined inadequate.
- After solicitation of a number of sources, competition is determined inadequate.

7.0050 TEN PERCENT WITHHOLDING

The final ten percent of payments on construction agreements or contracts shall be held until the entire transaction is complete and satisfactory.

7.0060 CONSULTANT SERVICES

- .01 A consultant is an independent contractor (a non-TMCC employee), an established business concern, and/or individual who receives a payment for services as defined below.
- .02 Consulting services are defined as the rendering of time, effort, or work rather than the furnishing of a specific physical product, other than reports incidental to the required performance. It includes, but is not limited to, the professional, personal, and/or contractual services provided by architects, attorneys, consultants, and where the service is associated with the provision of expertise or labor, or both.
- .03 In order to be classified as an independent contractor and not as a TMCC employee, the relationship between the individual and the College must be such that the College does not have a right to direct and control the means and details of the work performed by the individual.

7.0070 SUSPENSION AND DEBARMENT

The following web sites will be checked for suspended or debarred companies:

The North Dakota Office of Management and Budget
www.nd.gov/omb/agency/procurement/bidders-list/suspended-and-debarred-bidders

and

System for Award Management www.sam.gov using the Search Records link. The page shall be printed to be used as documentation that the company awarded the contract, bid, or proposal is not suspended or debarred.

4.8.0000 PURCHASING / PURCHASING AUTHORITY

8.0010 GENERAL POLICIES

Employees and Board members shall acquire goods and services by following the purchase procedures set forth in this manual. Employees and Board members are prohibited from obtaining goods and services on behalf of the College without prior approval. At no time shall a student incur expenses on behalf of the College

8.0020 CONTROL OF OBLIGATIONS

The President, assisted by the Comptroller and Program Directors/ Coordinators, is responsible to the Board for the acquisition of goods and services for College programs, in accordance with approved budgets.

.01 All purchases made by the College are to be made through the use of purchase requisitions and purchase orders with the exception of small miscellaneous expenses (petty cash purchases), and payroll disbursements.

If a proposed purchase is not authorized in the budget, it must be justified by a memo attached to the purchase order requisition.

.02 Credit Cards

- TMCC fuel cards are for college vehicles and equipment only. They are checked in/out through the business office.
- Retail store cards such as Walmart Credit Card are checked in/out through the business office.
- American Express Cards are issued to the individual in their name. Only certain administration members are issued American Express cards.
- All types of credit cards must have prior approval before being check out and/or used. The employee who has possession of any credit card either issued or checked out is responsible for the safeguarding of the card until it is returned to the business office.

8.0030 ACQUISITION GUIDELINES

Purchases will be handled as follows except in cases of emergency when delay would cause irreparable damage or harm to employees, students, visitors, or assets.

COST PER VENDOR	PROCEDURE
\$ 0 - \$39,999.99	Authorized by President and Comptroller
\$ 40,000 and over	Board approval required unless outlined as exceptions in the below section.

Textbook Ordering - Textbooks should be ordered through the Bookstore at least six weeks prior to the beginning of the next semester.

Any direct orders for texts that bypass the Bookstore should have prior administrative approval.

Textbooks will be ordered, whenever feasible, directly from publishers in accordance with the approved curriculum textbook.

Construction - All construction/renovation will be approved by the Board.

8.0040 APPROVAL LIMITATIONS

- .01 The President shall have the authority to approve purchase requisitions of \$39,999.99 or less.
- .02 All purchase requisitions exceeding \$39,999.99 from a single vendor must have Board approval. Except for the following:
 - All payroll transfers,
 - Monthly utilities,
 - Annual insurance premiums and maintenance agreements,
 - Payments to subcontractors (sub-awards), other than construction, as budgeted in the grants.
 - Payments of scholarships and tuition from grants.
- .03 The Board shall approve the entire construction/renovation project or cost prior to payment. When a project or a payment schedule is approved by the board subsequent payments do not need to be approved by the board unless it is a renewal or a change order.
- .04 In the event that a purchase requisition was approved for less than \$40,000 but is invoiced for more than \$40,000, the purchase requisition and invoice shall be brought to the Board for additional approval prior to payment when the purchase fits under the guidelines for Board approval.
- .05 When a requisition is approved with a payment schedule, each payment does not have to be approved by the Board.
- .06 The President, after notifying the Chairman of the Board of Directors, has authority to authorize emergency purchases over \$39,999 under the following conditions:
 - When the purchase needs to be made prior to a regular board meeting
 - in order to meet deadlines, or
 - avoid late fees, or
 - avoid discontinued coverage of services, or
 - obtain special reduced pricing.

.07 The purchase requisitions for classroom textbooks is signed by the Bookstore personnel, the Academic Dean or CTE Director, and the Comptroller. The signature of the President is not required.

8.0050 CLASSROOM TEXTBOOK PURCHASES

.01 The purchase requisitions for classroom textbooks is signed by the Bookstore personnel, the Academic Dean or CTE Director, and the Comptroller. The signature of the President is not required.

8.0060 UNAUTHORIZED PURCHASES

Any purchase made without proper approval will subject the purchaser to an obligation to reimburse the College or pay for the purchase. Since the purchaser is acting as an agent of the College, the items purchased are the property of TMCC.

8.0070 EMERGENCY PURCHASES

Under certain circumstances, emergency purchases may be allowed. In those situations, the employee must obtain prior approval for purchases from one of the following; the President, Vice President, or Comptroller followed up with an email from the approver, confirming what was approved for purchase. At the earliest opportunity, a purchase requisition must be completed with notation of the verbal approval and attach the follow-up written confirmation. All receipts must be attached for final approval.

8.0080 VOCATIONAL REHABILITATION REQUISITIONS

Purchase/Payment requisitions for the Vocational Rehabilitation Project need only be signed by the Vocational Rehabilitation Project Director and the Comptroller.

4.9.0000 TRAVEL

This policy pertains to all employees, Board members, and students or anyone traveling at the college's expense.

9.0005 TRAVEL ADVANCE LOANS

Travel advance loans shall be set up as accounts receivable rather than an expense account when paid. After the individual files a travel expense statement, the travel advance loan shall be expensed along with any additional payments due the individual.

9.0010 TRAVEL APPROVAL

Each travel authorization must be approved for each employee, student, or anyone traveling at the College's expense through the regular purchase requisition process prior to any expenses incurred. All travel for Board members will be recommended by the President.

9.0020 TRAVEL EXPENDITURES

- .01 Mileage payments requested and properly authorized on the proper form, will be made to employees, students, Board members, and anyone traveling at the College's expense. Mileage is at the rate specified in the Federal Register whenever a personal auto is used to conduct College business. New rate will be effective the first day of the month following the receipt of the Federal Register in the Business Office. Mileage will be based upon an approved mileage chart or an odometer reading from home or the College, whichever is appropriate.
- .02 When more than one person is traveling on behalf of the College in the same personal automobile, mileage will be allowed only for the owner of the vehicle.
- .03 When on College business, per diem may be claimed for meals by a staff member, Board member, or anyone else traveling at the expense of the College. Rates will be according to the Federal Register. New rate will be effective the day following the date of notification of the change of Federal Register.
- .04 The authorized meal rate in the Federal Register will be allowed. Receipts are not required, but the traveler must disclose the date and time of departure and return.

Breakdown:

Breakfast	20% of rate
Lunch	32% of rate
Dinner	48% of rate

- .05 When a meal is provided (other than continental breakfast) with the registration/conference, meal allowance will not be allowed for that meal.

9.0030 LODGING

Actual expenditures will be paid for overnight lodging. Practicality of the expense shall always be taken into consideration. Lodging receipts must be submitted with travel expense statement for reimbursement. The College is only responsible for room and taxes.

9.0040 OTHER COSTS

Registration costs and memberships will be allowed if approved in advance by the President and immediate supervisor.

9.0050 RESERVATIONS

Whenever possible, lodging reservations should be made in advance by the traveler and request a credit authorization form faxed/emailed to the Fiscal Office. Airline reservations can be made by the employee upon request after obtaining the signed purchase order. The employee will be reimbursed at actual cost for plane fare if paid on their own with prior approval.

9.0060 TRAVEL IN HIGH-COST AREAS

When traveling to high-cost cities, expense allowance may be increased to compensate for the higher travel costs. The increase shall not exceed the Federal guidelines for travel allowances made for each high-cost city. An allowance for ground transportation shall be made, not to exceed \$40.00 per day in Washington, DC, Chicago, and New York City areas and \$15.00 per day in all other areas. Receipts for anything over that amount shall be required for reimbursement. Reimbursement will be based on either the daily rate or receipts.

9.0070 LOCAL TRAVEL

Employee should use the College vehicle when traveling locally for the performance of their official duties. If an employee chooses not to use the College vehicle, mileage reimbursement will not be allowed. Employees may be authorized to claim local travel prior to the trip by the President. When the employee receives authorization, he/she must complete the local mileage expense statement and submit it along with a purchase requisition form.

9.0080 METHODS OF TRAVEL

An employee, student, Board member, or anyone else traveling on behalf of the College may travel by airplane, bus, train, or automobile. The President shall determine the mode of travel based on the time element and destination.

- .01 Airplane, the purchase of first class tickets, and economy upgrades are prohibited, air coach will be utilized.
- .02 Bus will be utilized when economical.
- .03 Automobile, when automobile is used, reimbursement will be limited to the lower cost of either 14-day advance coach fare plus mileage round trip to the nearest airport or mileage to the destination. When driving, hotel and per diem will be allowed for one day before and one day after the conference/meeting.
- .04 Train will be utilized when economical.

9.0090 TRAVEL LOANS

Employees authorized to travel at institutional expense may request a travel loan. When a deposit is required for reservations, the amount of that deposit may be paid by the College in advance.

- .01 Travelers may receive an advance payment not to exceed 80% of estimated travel expense Direct fixed expenses such as mileage, airline tickets, registrations, memberships, and materials needed for meetings may be excluded when calculating a travel advance. This advance shall be considered a loan from the College to the individual.
- .02 Before travel arrangements are made, a purchase requisition must be approved at least two weeks prior to departure, except in case of an emergency.

9.0100 FILING OF CLAIM

- .01 Upon return from authorized travel, the traveler shall submit a Travel Expense Statement with the fiscal office within five business days. This report, itemizing actual and necessary expense must be typewritten or in ink.
- .02 Receipts for lodging and transportation must be attached to the expense report.
- .03 Failure to attach receipts will prohibit the traveler from collecting reimbursement.
- .04 Any unused portion of an advanced allowance shall be remitted to the Fiscal Office within one week of return. If the employee fails to submit payment within one week, payment will be deducted from their next payroll check.
- .05 Failures to complete travel expense statements within two weeks could prevent a traveler from receiving future travel loans and will cause the entire amount of the loan to be deducted from their next payroll check.

4.10.0000 CONFLICT OF INTEREST

10.0010 INTRODUCTION

Turtle Mountain Community College maintains uniform policies and standards for identifying, and removing, actual Conflicts of Interest and has adopted policies and procedures for managing situations that could give rise to potential or perceived Conflicts of Interest. In determining whether an actual, potential, or perceived Conflict of Interest exists in a given situation, the Turtle Mountain Community College will consider the specific details of the situation and make a determination based on the totality of the circumstances. Turtle Mountain Community College believes that clear guidelines and principles for reporting and managing actual, potential, and perceived Conflicts of Interest will assist our faculty, staff, and students in maintaining the highest level of integrity in their endeavors.

10.0020 POLICY STATEMENT

- .01 An actual Conflict of Interest arises in a situation where financial or other personal or professional considerations compromise an individual's objectivity, professional judgment, professional integrity, and/or ability to perform his or her professional responsibilities to Turtle Mountain Community College. In addition to situations that clearly give rise to an actual Conflict of Interest, individuals are cautioned also to consider gray areas that might create the perception of or the potential for a Conflict of Interest. Perceived or potential Conflicts of Interest can be said to exist in situations

where an individual member of Turtle Mountain Community College (Member), a member of the individual's family (Family), or a close personal relative (Close Relative) has financial interests, personal relationships, or professional associations with an individual, individuals, or outside organization, such that his or her activities within Turtle Mountain Community College could appear to be influenced by that interest or relationship.

- .02 All Members of the Turtle Mountain Community College community are committed to identifying and avoiding situations and activities that constitute a Conflict of Interest in the execution of their duties for Turtle Mountain Community College. Furthermore, activities, situations, and relationships that might create the perception of or potential for a Conflict of Interest must be identified and managed appropriately. In every instance, Turtle Mountain Community College reserves the right to make a determination in light of its best interest.
- .03 On no less than an annual basis, all Members, whether they are engaged in activities that might create the perception of or potential for a Conflict of Interest or not, are required to submit a Conflict of Interest Disclosure Survey to the Vice-President or President.
- .04 Conflict of Interest Categories:
- .05 Situations and activities may be grouped into one of three categories under this Conflict of Interest Policy:

Category A: Not Significant and Generally Permissible Activities Situations where any Financial Interest held by a Member, Member's Family, or Member's Close Relative does not indicate a Significant Financial Interest and where the situation suggests no actual, potential, or perceived Conflict of Interest. These situations may continue without special safeguards or oversight.

Category B: Potential or Perceived Conflicts of Interest Activities which represent Potential or Perceived Conflicts of Interest would be permitted to go forward after disclosure with an approved Management Plan.

Category C: Actual Conflicts of Interest Activities which represent actual Conflicts of Interest, and which may be permitted to go forward after disclosure only with an appropriate Management Plan to eliminate the conflict, safeguard against prejudice toward College activities, and provide continuing oversight.

10.0030 SCOPE

This policy is applicable to:

- All TMCC Board members
- All TMCC faculty members
- All TMCC staff members
- All persons representing TMCC

10.0040 DEFINITIONS

Employee - Any person covered by this policy as provided for in Application of Policy Conflict of Interest

- .01 Many employees either have positions that allow them to influence College decisions, or they have been entrusted with the authority to make decisions for the College. Conflict of interest exist if an employee's position or authority may be used to influence or make decisions, or have the appearance of influence, that lead to any form of financial or personal gain for that employee or for his or her family. The bias can affect collection, analysis, and interpretation of data, hiring of staff, and procurement of materials.
- .02 In academic research, the term conflict of interest refers especially to situations in which financial or other personal considerations may compromise, or may have the appearance of compromising, an investigator's professional judgment in conducting or reporting research.

The bias can effect collection, analysis, and interpretation of data, hiring of staff, and procurement of materials, sharing of results, choice of protocol, and the use of statistical methods. Conflict of interest can affect all scholarly fields.

It is acknowledged that, in their wider roles as academicians and professionals, the faculty may be subject to conflicts of interest that are not necessarily financial and that are not within the scope of a policy that is designed to address conflicts of interest in the employer-employee setting. Academic and professional activities not covered by this policy are best handled within the ethical guidelines of the College outlined in the code of conduct.

In academic administration, the term conflict of interest refers especially to situations in which financial or other personal considerations may compromise, or have the appearance of compromising, decisions made by administrators.

Significant and material conflict of interest is covered under this policy.

Family or Close Relative - For purpose of this policy, family or close relative is defined as the employee's spouse, children, siblings, parents, and grandparents.

Financial interest - Any relationship, including a consulting relationship, entered into by the employee or his or her family, other than employment by the College, which could result in financial gain for the employee or his or her family

Investigator - For purpose of this policy, investigator shall include the principal investigator and all co-principal investigators.

Significant Financial Interest - The term significant financial interest means anything of monetary value, including, but not limited to: salary or other payments for services; equity interests (e.g., patents, copyrights, other ownership interests); and non-College royalties from intellectual property rights (e.g., patents, copyrights, trade secrets, and

trademarks). An amount \$5,000 is used as a guide, but a conflict of interest could and can occur for an amount less than \$5,000 as indicated below.

The term significant financial interest does not include:

Any salary other remuneration paid by the College to the Employee and the Employee's spouse and/or dependent children;

The ownership of any intellectual property rights and interests, but only so long as the Employee has not received any income related to the rights and interests or if the Employee as assigned any ownership interest in those rights to the College;

Any reimbursed or sponsored travel, but only if the travel is sponsored or reimbursed by a federal, state or local government, an institution of higher education, or other organization. In other words, if any other entity or organization covered your expenses for travel, you must disclose it.

Any income from seminars, lectures, or teaching engagements sponsored by a federal, state or local government agency, an institution of higher learning, or a research institute. In other words, if any other entity or organization paid you to deliver a seminar, lecture or teach, you must disclose it;

Any income from service on advisory panels for a federal, state or local government agency, an institution of higher learning, or organization. In other words, if any other type of entity or organization paid you to serve on an advisory panel, you must disclose it.

Salary, royalties, or other payments made to the Employee's spouse and/or dependent children, from entities that do not do business with the College;

Salary, royalties, or other payments from entities that do business with the College that, when aggregated for the Employee and the Employee's spouse and/or dependent children over the next twelve months, are not expected to exceed \$5,000.

To insure continued confidence of the members of the Turtle Mountain Band of Chippewa in the College and its personnel, individuals serving the College shall at all times act in a manner consistent with their public responsibilities to the College and shall exercise particular care that no real or perceived detriment to the College results from conflicts between personal interests and those of the College. Conflict of interest situations, or the appearance of conflicts of interest, have the potential to result in serious harm and direct losses to the College. The losses are often difficult to detect and include not only direct monetary losses and loss confidence in the College, but also negative publicity and erosion of employee morale.

It is the policy of the College that its officers, faculty, staff and others acting on its behalf have the obligation to avoid ethical, legal, financial, or other conflicts of interest and to ensure that their activities and interest do not conflict with their obligation to the College or to its welfare.

This policy applies to all officers and employees of the College. This policy also applies to persons affiliated or associated with the College. All provisions except those relating to outside employment, apply to persons affiliated with the College.

This policy is to be interpreted and applied in a manner that will best serve the interest of the College and that distinguishes between those minor and inconsequential conflicts which are unavoidable and those conflicts which are substantial and material. A conflict of interest may exist when an employee, a close relative, or a person or organization with which the employee is associated has an existing or potential financial or other interest which involves the employee's college responsibilities. If an employee believes that he or she may have a conflict of interest, the employee shall promptly and fully disclose the conflict to the Vice-President and President and shall refrain from participating in any way in the matter to which the conflict relates until the conflict in question has been resolved. In some cases, it may be determined that after full disclosure the College's interest are best served by participation of the employee despite the conflict or appearance of conflict.

This policy does not prohibit an employee from freely pursuing those teaching, research, and professional and public service activities which will not result in such a conflict, nor prohibit an employee from accepting pay, compensation, fees, honoraria, or reimbursement of expenses which may be offered in connection with such activities.

10.0050 TYPES OF PROHIBITED CONFLICT

.01 Personal gain from college position

An employee may not use or attempt to use, in a manner contrary to the interest of the College, his or her position or college property or services, to gain or attempt to gain anything for the private benefit of the employee.

An employee may not solicit or receive gifts or entertainment valued at \$25 or greater for personal use from suppliers of goods or services, or from persons associated with or seeking association with the College.

An employee shall not use confidential information acquired in connection with College related activities for personal gain or for other unauthorized purposes.

.02 Proposals and funded Grants

In academic research and program proposals, the investigator and others involved in the development, conduct and reporting to a funding agency must report any potential conflict prior to submission of a proposal and thereafter annually, or sooner should a conflict arise, for funded proposals.

An employee may not receive equity interest (stocks, stock options, or ownership interest) or intellectual property rights (patents, copyrights and royalties from such rights) as a result of sponsored programs.

.03 Contracting and Leasing

An employee may not enter into any contract or lease with the College, if the employee is in a position to approve or influence, in his or her official capacity, the College's decision to enter into the contract or lease, unless such contract is deemed in the best interest of the College and has the approval of the Vice-President and President.

If the employee is not in a position to approve or influence the College's decision, the employee may enter into a contract or lease, provided the employee makes prior written disclosure of the nature and extent of any relationship to the Vice-President and President and obtains written approval. The Vice-President and President shall approve an employee's interest in a lease or contract unless the Vice-President and President determines that the employee's personal interest in the agreement will conflict substantially and materially with the employee's discharge of his or her college responsibilities.

An employee may not contract with the College to provide a service which is the same as or similar to the service that the employee provides as a college employee. Such services may be provided only as a college employee in the course of college employment.

.04 Outside Commitment

Employees are permitted to engage in outside consulting activities and other outside activities provided any other outside position would not impair the employee's ability to meet his or her obligation to the College.

An employee with faculty rank shall not take on a teaching assignment in another institution of higher learning during the academic year except after obtaining written approval of the Academic Dean.

An employee shall not engage in outside employment or activities which could be viewed as impairing the employee's judgment in the performance of college duties and responsibilities.

.05 Use of College Name and Resources

An employee shall not use the official title of the College or any of its parts, in whatever form that title may appear, except in connection with legitimate College purposes.

The College's name, facilities, equipment, stationary, supplies, personnel and other resources are to be used only for the furtherance of the College's mission. An employee shall not make unauthorized use of any College resources, including the services of College employees, for the personal benefit of the employee.

10.0060 DISCLOSURE AND CONSULTATION

When it appears that a material conflict of interest may arise between the personal interest of an employee and his or her responsibilities to the College, the employee shall notify the Vice-

President and President by submitting a written statement describing the nature of the possible conflict. If an apparent conflict comes to the attention of the Vice-President or President, the Vice-President or President may request a written statement from the employee.

When it appears that a conflict of interest may affect a sponsored program, the Vice-President will notify the funding agency of the potential conflict and the remedy sought to resolve the conflict. Should the College be unable to resolve the conflict, the Vice-President or President shall notify the funding agency.

If an employee is in doubt as to whether he or she is confronted with a conflict of interest, the employee should consult with the Vice-President and President to determine if the outside interest could conflict with the employee's obligation to the College.

Any employee, who becomes aware of a conflict of interest within the College, shall immediately notify the Vice-President or President.

The Vice-President and President shall promptly notify the employee or associate in writing that:

- There is no conflict and the employee may proceed; or
- There may be a conflict and further consultation is necessary prior to reaching a determination; or
- There is a conflict and the employee shall not proceed with his or her personal interest which results in the conflict.

The employee may appeal the decision to the Board of Directors.

10.0070 SANCTIONS

Failure to disclose a conflict of interest or violations of the prohibited types of conflicts may be grounds for disciplinary action, up to and including termination. All employees and persons associated with the College shall adhere to the laws, rules, regulations, and policies of applicable governmental and College authorities and the standards set for in the College's code of conduct (Section 5.4.0080 CODE OF CONDUCT). Failure to do so may be grounds for disciplinary action, up to and including termination.

10.0080 RECORDS

The records of all Conflicts of Interest will be kept on file for a minimum of three (3) years

4.11.0000 PROPERTY MANAGEMENT

All equipment obtained by the College is subject to institutional control and maybe disposed of only in accordance with established procedures outlined in this policy. Equipment obtained by the College includes that which is purchased with College funds or grant funds, received as a gift, donation, or obtained by other means.

.01 Departmental Responsibilities:

Departments obtaining equipment are responsible for its use, maintenance, safeguarding, and disposal. Departments must coordinate with the Business Office of any equipment status changes, such as transfers, disposals, loss, or theft.

.02 Business Office Responsibilities:

The Accountant Specialist is responsible for tracking equipment obtained by the College and maintaining the records associated with the equipment from the delivery date to disposal date. The Business Office accomplishes this by obtaining relevant data for each piece of equipment and inputting the information into the asset management system. The Accountant Specialist is responsible for coordinating and conducting the College's physical inventory.

11.0010 CAPTIALIZED EQUIPMENT

.01 Definition: Equipment is capitalized and maintained on the asset management system if all of the following are met:

- The item cost is at least \$5,000:
- The item is tangible, personal property:
- The useful life of the item is at least two years: and
- The item is able to function by itself or stand alone.

.02 A physical inventory of all capitalized equipment shall be performed at least once every two years, preferably at the end of the spring semester. The results shall be reconciled with the accounting and property and supply records. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the cause of the difference. The College shall verify the existence, current utilization, and continued need for the property.

.03 Under no circumstances can the College owned vehicles or equipment is to be used for personal purposes

11.0020 DEPRECIATION OF EQUIPMENT

.01 Depreciation of Property is computed on the straight-line method over the following estimated useful lives:

- Building and Land Improvements 20 years
- Machinery and equipment 3 -20 years
- Licensed Vehicles 8-20 years

.02 Additions, capital improvements, and betterments are capitalized; whereas expenditures for maintenance and repairs are charged as an expense.

11.0030 EQUIPMENT ACQUISITION

The College obtains equipment through the following methods:

.01 Purchase

Equipment obtained with College or grant funds is acquired by issuing a purchase order or using a credit card. The Accountant Specialist will provide the grant director a copy of the purchase order so the order can be placed by the individual making the request. If the item is purchased using a credit card, the requestor will place the order in the business office. If the item meets the capitalization definition, the item will be tagged and entered into the asset management system.

.02 Leased Equipment

The Business Office must be provided with a copy of the lease in order to determine that if the lease qualifies as a capital lease. If the lease meets the criteria of a capital lease, the item will be tagged and entered into the asset management system.

A capital lease must meet one or more of the following criteria:

- The lease transfers ownership of the property to the lessee.
- The lease contains a bargain purchase option.
- The lease term is equal to 75% or more of the estimated economic life of the leased property.
- The present value of the minimum lease payments is equal to 90% or more of the fair market value of the leased property.

.03 Gifts

Donations of equipment that meets the capital inventory requirement will be recorded into the asset management system. The value assigned to the item is the fair market value at the time of the gift and is to be determined by the department receiving the donation.

.04 Fabricated Equipment

Departments purchasing components for the purpose of fabricating equipment that meets the criteria for capital equipment should use a project code assigned by the Business Office or use other means to track costs. All expenditures except salaries and benefits should be charged to this project code. When completed, the department must submit a memo to the Business Office indicating the description and location of the item. The item will be tagged and entered into the asset management system at a cost associated with the project code.

11.0040 EQUIPMENT DISPOSALS

All equipment disposals and sales must be coordinated with the Business Office. The asset description, asset tag number, date of disposal, method of disposal, and proceeds from disposal must be given to the Accountant Specialist. All this information and accumulated depreciation associated with the disposed asset will be recorded in the asset management system when the disposal is recorded.

11.0050 EQUIPMENT LOCATION CHANGES

When equipment is transferred between departments, the transferring department must notify the Accountant Specialist. An asset transfer form will be filled out with the description and tag number and person responsible for the equipment being transferred along with who will be responsible once the transfer is complete and turned into the business office. The information in the asset management system will be updated to reflect the new location of the equipment.

11.0060 LOST OR STOLEN EQUIPMENT

Employees/Departments must have appropriate safeguards in place to prevent loss, damage, and/or theft of equipment. The College security must be notified in the event that equipment is stolen with a description. If the loss is determined to be negligent on the part of the employee, determination will be made on the cost of replacing the item and the employee responsible will be charged. Security will provide the Accountant Specialist with an incident report.

11.0070 PHYSICAL INVENTORY

The Accountant Specialist prepares a listing of all the equipment owned by each department at the end of each fiscal year. Each department must verify the items on the list and note any corrections before returning the list to the Accountant Specialist. All departments must assist the Accountant Specialist when conducting the physical inventory

11.0080 TERMINATION OF EMPLOYMENT INVENTORY

Upon termination of employment a physical inventory will be taken of all items capital and non-capital assigned to the employee. If any item is damaged, non-functioning, parts missing, or unsuitable for use due to the negligence of the employee, a determination will be made on the cost of replacing the item and will be charged to the employee. Any item missing or not returned to the College, the employee will be charged for the replacement of the item. If necessary, the remaining payroll or annual leave owed to the employee will be used as payment against these charges.

11.0090 PROPERTY REMOVED FROM PREMISES

If property is to be used off campus, the individual responsible must assume financial responsibility. Proper permission must be acquired before property is removed from premises.

11.0100 NON-CAPTIALIZED EQUIPMENT DEFINITION

.01 Equipment, furniture, and other tangible property should not be capitalized if it does not meet the definition of capitalized equipment. If the item meets all of the following, it should be assigned to the user and maintained in an inventory tracking system:

- The item cost is less \$5,000 but at least \$500,
- The item is tangible, personal property,

- The useful life of the item is at least two years, and
 - The item is able to function by itself.
 - Technology item
 - Tables, chairs, desks and other facility items as determined necessary.
- .02 The cost of the non-capitalized item includes not only the purchase price but also additional charges such as freight, site preparation, and professional fees necessary to place the asset in its intended location and condition for use. The purchase price is defined as the actual cost to the College after all applicable discounts have been taken. Trade-in allowances should be added to the cash paid to determine the capitalized value of the equipment.
- .03 Each department head or program director is responsible for the equipment, furniture, and other items of value assigned to the department. An inventory report will be provided annually of items the department or program is responsible for and whom the item is assigned. The department head/program director will review the list along with the individual assigned the items to ensure its accuracy. The report once verified and changes documented must be submitted to the Accountant Specialist.

11.0020 CLASSROOM INVENTORY

Inventory items, such as musical instruments, tools, calculators, etc., that are issued to students by the faculty for learning are the responsibility of the faculty member.

11.0030 SUPPLIES AND MATERIALS

All items not considered equipment shall be classified as supplies or materials. Supplies, materials, etc. may be purchased according to program contracts and budgets, or as considered necessary for the operation and administration of the College programs.

11.0040 OFFICES AND KEYS

Keys are made available for College personnel who need them. Use of College offices for private business activities is prohibited. Staff and faculty members are obliged to lock and secure their own office belongings. The College is not responsible for personal items that are missing or stolen.

11.0050 SALE OF PROPERTY AND EQUIPMENT

For property and equipment with a fair market value of less than \$1,000 advertisements for bids shall include TMCC web site, KEYA Exchange, email to all users, and word of mouth.

For property and equipment with a fair market value of more than \$1,000 advertisements for bids shall include the local papers, TMCC web site, KEYA Exchange, email to all users, and word of mouth.

4.12.000 PERSONNEL POLICIES

For detail on the HOLIDAYS AND PAYROLL SCHEDULE and other personnel policies (see the Personnel Policy Manual).

12.0010 TIME AND ATTENDANCE

Every employee will electronically report time and effort by Monday of payroll week. Supervisors will approve by Tuesday of payroll week for payroll to be generated. Failure to submit and be approved by these deadlines will result in a delay in that employees pay until the following pay period. The supervisor who fails to approve time and effort may result in disciplinary action.

13.0020 OTHER BOARD EXPENSES

Any expenditure in excess of \$200.00 expended on behalf of the Board as a donation must be approved by a majority affirmative vote of the Board.

4.14.000 FINANCIAL REPORTS AND STATEMENTS

14.0010 BOARD OF DIRECTORS

The Board shall receive financial statements showing the financial position of each quarter as of the last day of the preceding period. Such statements will reflect budgeted, actual, and variance amounts.

The financial statements shall be prepared by the Comptroller each quarter and submitted to the President for review within the first ten days of the subsequent period. The Comptroller shall then submit the reports to the Board at the quarterly meeting.

4.15.000 INVESTMENT POLICY STATEMENT

15.0010 STATEMENT OF PURPOSE

The Investment Policy Statement (IPS) is a long-range strategy, with sufficient detail for implementation by designated agents, yet flexible enough as not to require continuous revisions and updates.

The purpose is to raise, receive, hold, administer, invest, and manage funds from donors wishing to benefit TMCC. Funds donated to the College may be maintained in the form of endowments, quasi-endowments, charitable trusts, or other forms the College deem appropriate. The purpose of this document is to establish policy and guidelines, which will provide for the maintenance and enhancement of College assets.

This document will be reviewed at least annually by the Investment Committee and updated or modified as needed to reflect changes in both the financial markets and needs of the College.

15.0020 STATEMENT OF RESPONSIBILITY

The College Board of Directors shall appoint a 3 to 5 member Investment Committee to represent the College. This committee shall have the responsibility for general oversight of the investment portfolio, to include selection of investment manager candidates, and make recommendations to the Board of Directors for final action. The President and the Vice President shall act in an advisory capacity and be ex-officio members of the Committee.

15.0030 ROLE OF INVESTMENT COMMITTEE

- .01 The role of the Investment Committee is to provide direction for the investment of the financial assets of the College and is charged with following the responsibilities:
- To establish and maintain policies and guidelines for the receiving and investment of College assets.
 - To determine the appropriate asset allocation among these assets.
 - To provide a system for monitoring the returns on these assets, and to review the performance of these assets.
 - To monitor the investment goals.
 - To maintain open lines of communication with the Board of Directors, providing in-depth activity reports at each regularly scheduled meeting of this body.

- .02 As such, the Investment Committee is authorized to delegate certain responsibilities to professional experts in various fields. These include, but are not limited to:

Investment Consultants. The consultants may assist the Investment Committee in establishing investment policy, objectives, guidelines; selecting investment managers; measuring and evaluating investment performance; and other tasks deemed appropriate.

Investment Managers. The investment managers have the discretion to purchase, sell, or hold the specific securities in accordance with the Board approved investment policies and guidelines that will be used to meet the College's investment objectives.

Custodians. The custodians will physically maintain possession of the securities owned by the College, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodians may also perform regular accounting of all assets owned, purchased, or sold as well as movement of assets into and out of the College accounts.

Additional specialists such as attorneys, auditors, and other may be employed by the College as recommended by the investment Committee to assist in meeting its responsibilities and obligations to administer College assets prudently.

15.0040 INVESTMENT PHILOSOPHY

- .01 The assets exist to provide long-term support to Turtle Mountain Community College.

- .02 Accordingly, the investment philosophy is based on a disciplined, consistent, and diversified approach utilizing various asset classes and management skills, with intent to accommodate styles and strategies considered reasonable and prudent.
- .03 The College spending policy will necessitate distributing a significant portion of the investment return each year and may occasionally require distribution of capital assets. However, over the long term, the investment return is expected to be greater than the amount distributed and this excess return will be reinvested. The reinvested portion should be sufficient to cover expected future inflation and investment management and related fees so that the real value of the College's assets is preserved and maintained over time.
- .04 Assets may be invested in pooled funds or in direct investments, or a combination of the two. Assets will typically be diversified among high quality stocks and bonds. Additional asset classes may be included when it is reasonable to expect the additional asset class will increase return and/or reduce risk.
- .05 Investment managers shall be selected from established and financially sound organizations, which have a proven and demonstrated track record managing similar funds. Selection of the investment managers shall depend upon factors established by the Board of Directors and will be consistent with the laws of the State of North Dakota. Such factors include, but are not limited to the manager's investment philosophy, experience and depth of personnel, investment process, past performance, and fee structure. The College recognizes its responsibility as a stockholder to encourage corporate citizenship, as well as corporate growth, in the companies whose shares are owned by the College. Corporate citizenship and social responsibility will be encouraged, based upon information available to the Investment Committee.

15.0050 INVESTMENT OBJECTIVES

The primary objective of the College's asset management program is to preserve its real (inflation adjusted) purchasing power while providing a relatively predictable, stable, and constant (in real terms) stream of earnings consistent with prudent risk limits and the College's spending needs.

To meet this broad objective, the specific performance is to attain, within acceptable risk levels, an average annual total return that meets or exceeds the sum of the College's spending (distribution) rate plus inflation plus investment management and related fees. Our focus will be on total return without regard to whether that return is in the form of income or capital gains. In cases where the College is appointed Trustee of a charitable trust, the investment objective is to achieve a return that satisfies the distribution rate while retaining as much of the corpus as possible.

15.0060 SPENDING POLICY

The College will distribute no more than 5% of the 5 year rolling average of the market value of the Pooled Long-Term Fund and the Pooled Equity Fund. The College will distribute from the

Pooled Fixed Income Fund net income. The College will distribute the contractual rate specified within the annuity or charitable trust agreements.

15.0070 INVESTMENT STRATEGY

Endowment assets will be invested in the College's Pooled Long-Term Fund, Pooled Equity Fund, and Pooled Fixed Income Fund. Charitable trusts may be funded with cash, securities, real estate, or other property and will be reinvested in the Equity Trust Investment Pool, Bond Trust Investment Pool, individual securities, or any combination of the three, as soon as practical. Each Fund will be broadly diversified through investment in multiple markets and use of multiple investment styles, thus enhancing real returns while reducing volatility. In addition, diversification will provide assurance that no single security or class of security will have a disproportionate impact on the fund's aggregate results.

The appropriate asset allocation for each charitable trust depends upon the expected life of the trust, the contractual distribution rate and the circumstances of the expected life of the trust, the contractual distribution rate, and the circumstances of the beneficiaries. The Board of Directors reviews each trust asset allocation annually.

15.0080 SPECIFIC INVESTMENT GOALS

- .01 Specific investment decisions will be the responsibility of the internal and external investment managers selected by the Board of Directors and will from time-to time develop specific performance objectives and investment guidelines for each manager employed, and shall periodically review each manager.
- .02 Over the 10-year investment horizon established in this statement, it is the goal of the aggregate College assets to meet or exceed:
 - The rate of inflation (as measured by the CPI) plus 3%.
- .03 The investment goals above are the objectives of the aggregate College assets, and are not meant to be imposed on each investment account. The goal of each investment manager, over the investment horizon, shall be to:
 - Exceed the market index, or blended market index, selected and agreed upon by the Investment Committee that most closely corresponds to the style of investment management.
 - Display an overall level of risk in the portfolio that is consistent with the risk associated with the volatility limits specified below.
- .04 Specific investment goals and constraints for each investment manager may differ from those of the entire College.

15.0090 TOTAL COLLEGE ASSET ALLOCATION GUIDELINES

Asset Class	Minimum	Maximum
Cash Equivalents	0%	10%
Fixed Income	30%	75%
Bonds below Investment grade – BBB	0%	10% of total

International Bonds 0% 10% of total
 Total Equities 25% 70%
 Large Cap 0% 45%
 Mid Cap 0% 20%
 Small Cap 0% 20%
 International 0% 20%
 Emerging Markets 0% 10% of total
 Exchange Traded Funds (ETF) 0% 20% of total (This restriction is not a relevant one because etf and mutual funds both provide almost identical diversification benefits.)
 Alternative Investments (including REITS & Commodities) 0% 20% of total

15.0100 VOILATILITY OF RETURNS

The Investment Committee understands that in order to achieve its objectives for the College assets, the assets will experience volatility of returns and fluctuations of market value. The College could tolerate a maximum loss of approximately 20% over the 1-year investment horizon and maximum loss of 0% over a 5-year period. Therefore, the Investment Committee supports an investment strategy that minimizes the probability of losses greater than stated above. However, it realizes that the College's return objective is its primary concern. There is, of course, no guarantee that the College will not sustain losses greater than those stated herein.

15.0110 PERFORMANCE REVIEW EVALUATION

.01 The Investment Committee will establish specific performance objectives and provide for monitoring the investment performance of the manager's employed to manage the College assets. On a quarterly basis, the Committee will receive a report from each manager regarding investment performance relative to the performance objective, risk guidelines, the manager's stated investment philosophy, and the manager's peer group. For purposes of reviewing performance, it is intended that the following objectives be achieved over a 5-year moving period, net of investment management fees.

.02 Asset Allocation Guidelines: The long-term goal of this portfolio is to maintain a portfolio mix of 50% Equities and 50% Fixed Income +/- 10%. Once the strategic asset allocation has been obtained, the account will be periodically re-balanced to maintain the target percentages.

15.0120 POOLED EQUITY FUND

.01 The total return of the actively managed funds in our portfolio is expected to exceed the target Index comprised of:

- What are the guidelines for measuring performance
- Performance Relative to Peer Group
- Standard Deviation
- Manager Tenure
 - Large Cap Equity – Russell 1000 Index
 - Mid Cap Equity – 400 Midcap 400 Index
 - Small Cap Equity – Russell 2000 Index

- International Equity Developed – MSCI EAFE Index
 - International Equity-Developing – MSCI Emerging Market Index
 - Alternative Investments Index – HFRI Fund of Funds Index
- .02 The total return for each Passive/ETF in our portfolio is expected to keep pace with the benchmark or which it follows. The goal with our passive investments is to work with funds that are keeping their expense low relative to their peer group but also have a mandate to reset their allocations to not get to cap weighted to one particular stock.
- .03 Each active equity investment manager is expected to rank in the top 40% of a universe of advisors utilizing a similar investment style (e.g. Large-Cap Value, Small-Cap Growth, International, etc.) over a rolling five-year period.

15.0130 POOLED FIXED INCOME FUND

- .01 The total return for the Pooled Fixed Income Fund and any fixed income investment manager is expected to exceed their relevant benchmark.
- .02 Each fixed income investment manager is expected to rank in the top 40% of the fixed income advisors over a rolling five-year period.

15.0140 TERMINATION OF INVESTMENT MANAGER

The Board of Directors reserves the right to terminate a manager for the following reasons:

1. Investment performance that is significantly less than expected given the parameters established in this Investment Policy Statement.
2. Failure to adhere to any aspect of this Investment Policy Statement.
3. Significant qualitative changes to the investment management organization.
4. At the convenience of the Board of Directors, with or without cause.

4.16.0000 POLICY FOR VEHICLE USE

The following procedures have been developed to insure efficient use and assignment of College vehicles. However, all vehicle users should realize that occasional problems may occur and should be flexible in attempting to work through such problems. Cost to programs for use of vehicle will be the federal mileage rate times the miles driven.

16.0010 GENERAL CONSIDERATIONS

1. Under no circumstance can the College owned vehicles or equipment can be used for personal purposes.
2. College employees who have a valid driver's license may be permitted to operate a College-owned vehicle.
3. No vehicle shall be operated for any reason other than official College business.
4. It will be the responsibility of the operator to ascertain that all equipment is working properly within reason before using the vehicle.

5. No vehicle will be operated by any driver who is not covered under the College's insurance policy.
6. All state and federal highway rules and regulations including speed limits must be obeyed.
7. No alcoholic beverages or any other illegal drug use will be allowed at any time.
8. Absolutely no smoking in the vehicles at any time.
9. All trips other than local must be approved by the President or appointed designee.
10. Normally, the distance to be traveled shall be limited to a 500-mile radius from the College. If, however, a trip longer than 500 miles is necessary and will save the college money over other means of transportation, may be allowed.
11. Normally use of the College vehicle will normally be limited to five (5) days in duration unless training is longer in duration, including the day of departure and day of return.
12. Vehicles will be returned to the college immediately upon completion of the trip.
13. Vehicles will be assigned on a first come basis. Otherwise, assignment will be based on the following factors:
 14. Number of people (more people, higher priority).
 15. Distance (more miles, higher priority).
 16. Number of days (fewer days, higher priority).
 17. No mileage will be paid to the individual when College vehicles are used.
 18. Facility personnel have priority for the use of facility vehicles at all times.
 19. In some cases, a longer trip (scheduled later) may "bump" a shorter one (scheduled first) as long as the person taking the shorter trip is given at least a 24-hour notice of the change.
 20. Primary consideration will be given to requests for long-distance trips (those outside the local forty-five-mile radius).
 21. Instructional field trips in the local area will be treated as long distance trips.
 22. College-owned vehicles must be used for approved long distance travel. If a vehicle is available and you use your own car, mileage reimbursement by the College will be denied. Off campus teaching assignments are exempted from this provision.
 23. Credit cards are available but are to be used only to put gasoline/oil in college-owned vehicles.
 24. If no vehicle is available for local trips, personal mileage can be requested if the round trip exceeds forty-five miles.
 25. Non-college personnel or non-students may not ride in College vehicles.
 26. College vehicles will not be furnished with maps, operating manuals, or tools, other than wheel jack and lug wrench. Vehicle registration, insurance card, and insurance company reporting guide (in case of accident) are located in the glove compartment.

4.17.0000 PHYSICAL PLANT

The Turtle Mountain Community College physical plant continues to experience steady growth.

The south campus is a conglomerate of buildings located in center of Belcourt when combined comprises some 66,000 square feet, and will be continued to be used for college purposes.

These facilities will house all college functions with the exception of some off-campus community responsive classes.

The main campus has a 145,000 square foot building located on approximately a 123 acre site. The facility includes state of the art technology, a fiscal area, general classrooms, science, mathematics and engineering classrooms and labs, library and archives, learning resource centers, faculty area, student services area, gymnasium, auditorium, recording studio, music rooms, art classrooms, dressing rooms, computer labs, terrace area, server room, basement storage and mechanical systems. A CTE building and Allied Health building are also located at the main campus.

The Anishinabe Wellness Center is set on 102 wooded acres. The complex includes a cemetery, riding arena, beach front, playground area, natural trails, fitness confidence course, medicine wheel, and a total of 15 buildings: five cabins, a wellness center, roundhouse, straw bale, tack shop and maintenance garage, boat house, Equine science building, A-frame building, the trading post, and a small barn. Turtle Mountain Community College is a commuter campus therefore contains no residence halls.

.01 College facilities are available for educational purposes by the public under specific conditions. Extra-curricular scheduling at the main campus must be cleared by the President or the Facilities Manager. The Comptroller or the President will approve use of the south campus. Anishinabe campus use will be approved by the Anishinabe director or the President.

.02 Faculty members are agents of the College and should exercise responsibility in their extra-curricular use of the facilities. Persons using facilities for non-college functions assume their own liability. Organizations and groups, which use facilities, should be briefed on their responsibilities. Doors should be locked, lights shut off, and windows closed and locked.

.03 Students or other groups must not be admitted to locked buildings or rooms unless under supervision of the faculty member or by his/her written authorization.

17.0010 HANDICAPPED PARKING

Turtle Mountain Community College has designated 'Handicapped Parking' areas for those individuals who display the required permit. Any Individual who parks in designated 'Handicapped parking' areas and does not display a handicapped permit will:

.01 Be towed away at the owner's expense; and

.02 Be ticketed/fined at a rate consistent with tribal law.

17.0020 PARKING IN FIRE ZONES

Parking in fire zones is strictly prohibited. Any individual who parks in designated fire zones will:

.01 Be towed away at the owner's expense; and

.02 Be ticketed/fined at a rate consistent with tribal law.

Revised/Updated May 2018