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## **410 FINANCIAL PLANNING**

Section: 400 – Finance	Subject: 410 – Financial Planning
Policy: Financial Stewardship	Date Approved: March 18, 2008
Policy #: 410.10	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

### **410.10 FINANCIAL STEWARDSHIP**

The ultimate financial goal for the CCSNH is to be financially solvent as a system. This means that the financial condition of each college will be secondary to the overall financial condition of the system. There will be times where excess revenue and/or unexpended general funds will be transferred to other colleges in order to maintain the necessary programming in those other colleges. The following conditions apply to maintaining financial solvency in the system:

1. Each college president is accountable for keeping his/her institution financially solvent. Nothing in the above paragraph excuses the president from this accountability.
2. It is recognized that there may be times in which unanticipated emergencies occur that require the chancellor to transfer funds from one college to another.
3. Unanticipated shortfalls in tuition revenue may occur despite good faith planning and/or well-executed recruitment and retention strategies. After a college has taken every possible action to address this shortfall within its own institution, the chancellor may authorize transfer of funds from one college to another in order to maintain the program viability of the college and/or maintain commitments to students.
4. There may be occasions where a subsidy from other colleges to one college may be planned. This plan is to occur before the fiscal year begins. Every college would be aware of the planned subsidy and the purpose for the subsidy. Such a subsidy may be planned in order to assist the college in making a transition from financial insolvency to financial solvency without impacting students. Such a subsidy may be planned in order to allow the college to introduce new programs that are essential to meeting the needs of the state.

Section: 400 – Finance	Subject: 410 – Financial Planning
Policy: General Funds	Date Approved: April 22, 2009
Policy #: 410.11	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

### **410.11 GENERAL FUNDS**

CCSNH operations are supported each year in a significant way by the state legislature's appropriation of general funds. The majority of general funds are contained in House Bill 1. The detailed budget in HB 1 can be increased or decreased by the sections contained at the end of HB 1, House Bill 2, known as the trailer bill, and/or any other legislation that affects general funds.

It is the responsibility of the System Office to record the general funds and adjust them as necessary as legislation dictates. General funds are first shown as a budgeted amount and are then recorded as revenue by location. General funds budgeted for each fiscal year are available as of July 1 of that fiscal year.

Section: 400 – Finance	Subject: 410 – Financial Planning
Policy: Chief Financial Officer Code of Ethics	Date Approved: May 19, 2009
Policy #: 410.12	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

## **410.12 CHIEF FINANCIAL OFFICER CODE OF ETHICS**

The public entrusts institutions of higher education with great resources and commensurately great responsibility for creation, dissemination, and preservation of knowledge. College chief financial officers play a key role in assuring that high standards of ethical practice attend to the custody and use of these resources. The chief financial officer's personal and professional conduct reflects on his or her institution, the collective profession, and the higher education enterprise at large. To guide chief financial officers in setting and practicing high standards of ethical conduct, the Community College System of New Hampshire (CCSNH) has devised the following code of ethics. CCSNH embraces the values expressed in this code and advocates observance of the code by the members of the CCSNH community.

The chief financial officer's conduct should be characterized by integrity and dignity, and he or she should expect and encourage such conduct by others.

1. The chief financial officer should adopt and be faithful to personal values that:
  - accord respect to self and others;
  - preserve honesty in actions and utterances;
  - give fair and just treatment to all without favor to any;
  - accept intellectual and moral responsibility;
  - aspire to achieve quality;
  - refuse conflict, or the appearance of conflict, between personal and institutional interests; and
  - engender forthright expression of one's own views and tolerance for the views of others.
2. The chief financial officer should act with competence and should thrive to advance competence, both in self and in others.
3. The chief financial officer should understand and support his or her institution's objectives and policies, should be capable of interpreting them within and beyond the institution, and should contribute constructively to ongoing evaluation and reformulation.

4. The chief financial officer should communicate to institutional colleagues the content of this code of ethics and should strive to ensure that the standards of professional conduct contained therein are met.
5. In discharging his or her duties in accordance with this code of ethics, the chief financial officer should enjoy the following rights:
  - the right to work in a professional and supportive environment;
  - the right to have a clear, written statement of the conditions of his or her employment, procedures for professional review, and a job description outlining duties and responsibilities;
  - within scope of his or her authority and policy, the right to exercise judgment and perform duties without disruption or harassment; and
  - freedom of conscience and the right to refuse to engage in actions that violate the ethical principles contained in this code or provisions of law.
6. Failure to adhere to this policy will subject the chief financial officer to disciplinary action within existing personnel policies.

## 420 OPERATING BUDGETS

Section: 400 – Finance	Subject: 420 – Operating Budgets
Policy: SkillsUSA Scholarship Awards	Date Approved: May 14, 2019
Policy #: 421	Date of Last Amendment: May 14, 2019
Approved: Ross Gittell, Chancellor	Effective Date: May 14, 2019

## 421 SKILLSUSA SCHOLARSHIP AWARDS PROGRAM

The purpose of the SkillsUSA Scholarship Award Program is to foster and award outstanding performance of high school students in career and technical programs and encourage them to attend CCSNH colleges.

### 1. Student Eligibility

- a. Candidates must be New Hampshire residents.
- b. Candidates must pursue an Associate Degree or Professional Certificate (minimum one year) program at one of the CCSNH colleges in the same field for which they have demonstrated outstanding competence or in a field that is approved by the Chancellor or President of the college.
- c. Candidates must be able to meet appropriate admissions requirements.
- d. Candidates must have received official recognition of outstanding performance in their area of expertise through SkillsUSA statewide competitions.
- e. Candidates must be high school students.

### 2. Award Policy and Procedures

- a. The scholarship award of up to \$5,000 per individual will be made in the form of a tuition waiver.
- b. Awards will be limited to the first place winner in SkillsUSA Competitions within the state of New Hampshire related to a specific certificate program (one year minimum) or associate degree program at CCSNH. There must have been a minimum of five students competing in the competition.
- c. The recipient must be a matriculated student at a CCSNH college.
- d. The tuition waiver does not cover academic instruction fees, other fees, books, or supplies.
- e. There is a limit of one tuition waiver awarded to an individual student.

- f. The award must be used in the academic year following high school graduation. Exception to this may be granted by the College President.

### 3. Award Notification

- a. The selected recipient will be notified by letter. The letter will be a letter of tuition waiver for the student to attend a CCSNH college.

## 424 TUITION AND FEES

Section: 400 – Finance	Subject: 420 – Operating Budgets 424 – Tuition and Fees
Policy: Tuition and Fees Establishment	Date Approved: March 18, 2008
Policy #: 424.10	Date of Last Amendment: February 19, 2019
Approved: Ross Gittell, Chancellor	Effective Date: February 19, 2019

### **424.10 TUITION AND FEES ESTABLISHMENT**

Tuition is set by the CCSNH Board of Trustees before the beginning of the fiscal year.

- a. New Hampshire residents will pay the in-state rate of tuition.
- b. New England Regional Student Program (NERSP): All day students from New England (Connecticut, Maine, Massachusetts, Rhode Island and Vermont) shall pay the NERSP rate of tuition for any program, except as may be provided below.
- c. International students with a current F-1 Visa, and day students who live outside the New England states will pay the out-of-state rate for day courses, except as may be provided below.
- d. Continuing Education students (evening, weekend, on-line) will pay the in-state tuition rate regardless of residence.
- e. A member of the Armed Forces of the United States stationed in New Hampshire under military orders, or stationed in a contiguous state but temporarily living in NH, shall be entitled to classification for himself/



herself, spouse and dependent children as in-state for tuition purposes so long as said orders remain in effect and residence in New Hampshire is continued.

Furthermore, military personnel who are residents of another state but choose New Hampshire as their residence within 90 days of being discharged from the military will be considered New Hampshire residents and charged in-state tuition.

- f. A veteran, as defined under RSA 21:50, I, or a covered individual, as defined under Chapter 30 or 33 of Title 38 of the United States Code using educational assistance benefits provided under federal law, shall be charged in-state tuition while living in New Hampshire and enrolled in any institution of the Community College System of New Hampshire.
- g. A spouse or child using educational assistance benefits provided pursuant to Chapter 30 or 33 of Title 38 of the United States Code shall be charged in-state tuition while living in New Hampshire and enrolled in any institution of the Community College System of New Hampshire.

The college reserves the right, with approval of the board of trustees, to set alternative tuition charge policies in high demand programs, special programs or programs developed in collaboration with business and industry. Programs having an alternative tuition charge shall be clearly listed in college materials.

- h. Tuition rates charged on a credit hour basis are subject to approval by the board of trustees and are subject to change without notice.
- 2. All tuition, fees, room and board must be paid prior to the issuance of official transcripts, grade reports, professional certificates, certificates, or diplomas. Students may not register for subsequent semester/terms unless all tuition, fees, room and board are paid in full. In extraordinary circumstances, the president may make an exception to permit students to start the subsequent semester/term.
  - 3. Any student owing money at one CCSNH college shall not be allowed to register at any other CCSNH college. A financial hold will be placed on the student's account at all of the CCSNH colleges.
  - 4. Tuition rates for the current fiscal year are posted on the CCSNH website.
  - 5. In accordance with board finance policy, each year the board of trustees establishes tuition, room and board, and fees associated with academic instruction and comprehensive student services, as well as specific program surcharge fees. The board delegates authority to the chancellor, in

conjunction with the presidents, to establish system fees common to all colleges.

6. Presidents are authorized to change pass-through fees for vendor provided tests, assessments and other services, fines and penalties for services and facilities use, as well as specific programmatic fees.
7. The academic instruction fee for credit courses is charged to all students taking lab, clinical, field experience, or practicum courses. The purpose of this fee is to help defray the high instructional costs associated with each of the above.
8. The comprehensive student services fee may have two components: A student activities portion and an administrative portion. Each college determines the portion of the comprehensive student services fee that will be allocated to each, with the approval of the finance committee and board of trustees.

The student activities portion of the fee must be placed in a dedicated fund and be used to support such college-recognized activities as clubs, organizations, intramural and club sports, entertainment and scholarships.

The administrative portion of the fee must be placed in a dedicated account designated for the support of student and academic affairs. Prohibited uses would include: professional development and/or travel/lodging/meal reimbursement for faculty or staff, marketing, and furniture purchases.

Other fees or revenue such as bookstore commissions and vending commissions are deposited into other operating accounts for use by the college administration.

1. Purchases and other expenditures from the student activity account must follow the purchasing policies and procedures of CCSNH.
2. Each college must have a clear approval process for the expenditure of student funds, including requests, allocations, dollar amount limits, restrictions, reimbursements, required documentation, and timelines. Each college will have appropriate forms to reflect the above requirements.
3. Expenditure of funds from student accounts must be authorized by the vice president of Student Affairs or designee, and each college must have procedures for authorization of expenditures, including in the event of absence of the vice president.
4. With proper authorization, student activity account funds may be used for “gifts” to the college for items other than programs or activities—furniture, TV’s, sound systems, etc.

5. Student activity funds may not be used to make direct donations to individuals, charitable organizations, political parties or candidates, or to support attendance at political events. However, student activity funds may be used to cover any initial costs associated with fundraising efforts which support charitable causes (purchasing raffle items, e.g.). Those funds must be repaid to the student activity fund upon completion of the fundraising activities, however (student activity funds may be used for individual scholarships as provided in 720.03).
6. Allocations of funds, as described in number 720.03 above, should complement and not supplant institutional funds. Such expenditures should be shared between the student activities account fund and college funds.
7. Student activity funds may not be moved into other college accounts unrelated to Student Affairs programs and activities.
8. No recognized student organization is permitted to hold an off-campus bank account.
9. Expenditure of funds from student activity accounts must be done willingly and without undue influence or coercion.

Section: 400 – Finance	Subject: 420 – Operating Budgets 424 – Tuition and Fees
Policy: Residence Hall Fees	Date Approved: March 18, 2008
Policy #: 424.11	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

#### **424.11 RESIDENCE HALL FEES**

1. A room deposit will be required in order to reserve a room in a residence hall.
2. Residence hall charges will be set by each college in an amount sufficient to cover the cost of operating the residence halls. Rates will be established for single, double and triple rooms and must be recommended by the Finance Committee and approved by the Board of Trustees.

3. Board charges will be based on the current contract with the food service vendor and must be recommended by the finance committee and approved by the board of trustees.

Section: 400 – Finance	Subject: 420 – Operating Budgets 424 – Tuition and Fees
Policy: Tuition Deposit	Date Approved: March 18, 2008
Policy #: 424.12	Date of Last Amendment: February 19, 2019
Approved: J. Bonnie Newman, Chancellor	Effective Date: February 19, 2019

#### **424.12 TUITION DEPOSIT**

A non-refundable tuition deposit of \$100.00 may be required from matriculated students. (A matriculated student is defined as one who has been formally accepted into a degree, certificate, professional certificate, or diploma program.) The president or his/her designee may waive the deposit for any or all groups of students as may be deemed appropriate for his/her college.

If the deposit is required, it will be applied to the student account for the semester in which the student is matriculated and is non-refundable. The tuition deposit is not transferable to another semester unless an exception is made by the president or his/her designee. One hundred dollars of any payment towards a student's first matriculated semester may be designated as the non-refundable tuition deposit. A change of major may also require an additional non-refundable deposit. If required, tuition deposits are due 30 days from the date of the acceptance letter and prior to the first day of classes.

Section: 400 – Finance	Subject: 420 – Operating Budgets 424 – Tuition and Fees
Policy: Tuition and Fees Exemption Policy	Date Approved: May 18, 2010
Policy #: 424.13	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

### **424.13 TUITION AND FEES EXEMPTION POLICY**

In order to ensure that all tuition and fee exemptions/waivers are properly authorized, the chief financial officer at each college shall review the exemptions/waivers recorded each semester. The review shall include identifying the employee who entered the exemptions/waivers and determining he/she was authorized to do so and tracing exemptions/ waivers to appropriate supporting documentation. The review performed by the chief financial officer shall be documented to provide evidence of the control.

The chief financial officer shall, from a complete list of the exemptions recorded prior to the date of selection and subsequent to the last date of selection,

- Review list for reasonableness
- Select a random sample of transactions for review
- For each selected item examine supporting documentation to ensure all exemptions were properly authorized and exemption amounts were correctly recorded
- Document the results of the review and, if necessary, prepare adjusting entries for submission to the System Office

Section: 400 – Finance	Subject: 420 – Operating Budgets 424 – Tuition and Fees
Policy: Expenditures for Ceremonies for Individual Departments	Date Approved: March 18, 2008
Policy #: 424.20	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

#### **424.20 EXPENDITURES FOR CEREMONIES FOR INDIVIDUAL DEPARTMENTS**

1. Departments or programs may hold special ceremonies (such as the pinning ceremony for the Nursing Department) provided they are approved by the president or his/her designee. A fee determined by the students may be charged to cover the full or partial cost of such events.
2. The college may use college funds to cover the full or partial cost of departmental or program recognition events.
3. Student activities funds may be used to support student focused college-wide social or student recognition events.
4. College funds may be used to support such events as commencement, convocation, orientation and the hosting of community groups or events. Such events may include college faculty, staff and guests.

Section: 400 – Finance	Subject: 420 – Operating Budgets 424 – Tuition and Fees
Policy: Use of College Facilities	Date Approved: March 18, 2008
Policy #: 424.30	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

### **424.30 USE OF COLLEGE FACILITIES**

As community resources, the colleges make their facilities available for public use as long as such use does not interfere with the primary purpose of education, disrupt college operations or compromise the safety and security of students, faculty or staff. The college reserves the right to deny any use that may in any way impede the regular operation of the college.

The college may make facilities available for local non-profit agencies without charging a full rental fee.

Individuals or organizations seeking access to college facilities for specific use or in order to meet with or make solicitations to students, faculty, or staff are required to request access from the president or designee. Failure to do so may result in a request to vacate the campus immediately.

No commercial solicitations will be permitted in classrooms or offices. An approved business or organization may be allowed to set up a table and display in a public or other approved space for a designated period of time.

The use of college facilities is subject to the following stipulations that will be incorporated in a contract between the college and the individual or organization using the facilities (user):

1. There must be no interference with the educational schedule, no disruption of college operations nor undue demands made on college personnel.
2. Although classroom and other facilities may be made available to non-profit organizations at less than the full rental fee, all individuals and organizations using college facilities will be responsible for meeting the following costs:
  - a. Meals and rental fee: meal charges and room rent shall be established by the college administration, with modifications or exceptions approved by the president or designee.

- b. Staff time: when staff (faculty, clerical, custodial) time is required over and above the normal day's activities, expenses related to such time will be charged to the user.
- c. The cost of police or other security coverage.
- d. Any damage arising from facilities usage.
- e. Any special services required or arising as a result of the usage.

Section: 400 – Finance	Subject: 420 – Operating Budgets
Policy: Student Accounts	Date Approved: March 18, 2008
Policy #: 425.10	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

#### **425.10 STUDENT ACCOUNTS**

It shall be the policy of the system to require payment or arrangements for payment of all term/semester charges due prior to the start of the semester. Failure to make payment in full or arrangements for payment by the start of the semester may result in the cancellation of the student's registration.

It shall be the policy of CCSNH to require payment, or arrangements for payment, of all semester charges due prior to the start of the semester.

1. Student Account Deferred Payment Based on Third Party Guarantee. The following policies shall govern student account deferred payment based on third party guarantee:
  - a. Deferred payment shall be authorized when payment is guaranteed to be made by a recognized business, organization, or institution on behalf of the student.
  - b. A letter, on official letterhead, guaranteeing payment (which includes a statement that payment is not contingent upon grade or completion) from the organization shall be on file.
  - c. The name and address of the organization making payment shall be recorded in a designated place on the student's account record.



- d. The anticipated date of payment shall be recorded.
  - e. Follow-up payment shall be handled by the person responsible for student accounts.
  - f. If a student must obtain a predetermined grade in order to be reimbursed by the guaranteeing organization, the student shall be required to pre-pay the course fees.
  - g. Third parties shall be invoiced monthly.
  - h. Mid-semester third party contract must be paid in full. If payment has not been made, a financial hold shall be placed on the student account.
2. Student Account Deferred Payment Plan. A college may elect to defer student payments through the use of promissory notes. It may use an outside vendor to provide the students with a monthly payment option. A college may also elect to provide the deferred payment service itself in which case it will charge a fee to students that is consistent with the fee that is charged by an outside vendor or 5% of the deferred amount, whichever is smaller. The following policies shall govern student account deferred payment plans:
- a. The student shall enroll in a college approved/sponsored payment plan administered by the college's Business/Bursar Office prior to the start of the semester. The plan shall clearly indicate the student's obligation to pay all charges on regularly scheduled installments.
  - b. Payment plans shall be monitored by the college's Business/Bursar Office.
  - c. If a student fails to make a payment as scheduled, the Business/Bursar's Office will issue a letter informing the student that payment must be made within 14 calendar days. If payment is not made within 14 calendar days, the account will be referred for collection. Once the System Office receives the account from the college, a letter will be issued to the student indicating that the student will have 14 days to settle the delinquent account. If no payment is made in 14 calendar days the account is turned over to the credit bureau and an outside collection agency. The student will be responsible for payment of all collection costs and/or attorney fees associated with that placement.

3. Student Account Deferred Payment Based on Student Hardship
  - a. If a student requests a deferred payment based on known student hardship, the request shall be made in writing to the president. Evidence of good cause to receive a student hardship deferral shall include, but not be limited to:
    - (1) death in the student's family;
    - (2) medical emergency;
    - (3) military commitments;
    - (4) family emergency; or
    - (5) a similar problem beyond the control of the student
  - b. Within ten (10) calendar days of the date of receipt of the student's request for a deferral, the president shall grant or deny the request.
  - c. Upon approval, the president shall date and sign a written agreement with the student, and keep on file with the business office, stating when full payment is due, and how it is to be made
  - d. The institution shall satisfy the following collection procedure for deferrals:
    1. The person responsible for student accounts shall provide the president or designee with names of students who have not completed full payment one week before full payment is due.
    2. If a student fails to make a payment as scheduled, the
      - i. Business/Bursar's Office will issue a letter informing the student that payment must be made within 14 calendar days. If payment is not made within 14 calendar days, a second letter will be issued informing the student that the account has been referred to the CCSNH System Office for collection. Once the System Office receives the account from the college, a letter will be issued to the student indicating that the student will have 14 days to settle the delinquent account. If no payment is made in 14 days, the account is turned over to the credit bureau and an outside collection agency. The student will be responsible for payment of all collection costs and/or attorney fees

associated with that placement, which may be based on a percentage of the debt up to a maximum of 35%, and all additional costs and expenses, including any protested check fees, court filing costs and reasonable attorney's fees, which will add significant costs to the account balance.

4. Payment in Full. All candidates for degrees, professional certificates and certificates shall pay all institutional charges in full before being eligible to graduate.

In accordance with FERPA regulations, if a student has a hold on an account because of outstanding financial obligations, he/she will be able to view the final grades at the conclusion of the semester in question in the Registrar's Office upon request.

Section: 400 – Finance	Subject: 420 – Operating Budgets
Policy: Students with Outstanding Balances Enrolling in Business Training Center	Date Approved: May 19, 2009
Policy #: 425.11	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

#### **425.11 STUDENTS WITH OUTSTANDING BALANCES ENROLLING IN BUSINESS TRAINING CENTER**

An individual with an outstanding balance on his/her account who subsequently registers for an activity sponsored by a CCSNH college's Business Training Center and funded by the individual's employer, will be allowed to enroll, despite the outstanding balance. The individual and the employer will also be entitled to the final grade and/or any applicable certificates at the conclusion of the activity.

Section: 400 – Finance	Subject: 420 – Operating Budgets
Policy: Student Refunds for No-Show Withdrawal	Date Approved: March 18, 2008
Policy #: 425.12	Date of Last Amendment: February 19, 2019
Approved: Ross Gittell, Chancellor	Effective Date: February 19, 2019

### **425.12 STUDENT REFUNDS FOR NO-SHOW WITHDRAWAL**

Students who initiate official withdrawal from a course within the first fourteen days of the semester will receive a refund of tuition, less non-refundable fees. Students who do not attend the college, including all courses enrolled for the semester, by the end of the fourteenth calendar day of the semester will receive a 100 percent refund of tuition, less non-refundable fees. If the fourteenth calendar day falls on a weekend or holiday, the refund date will be the first business day following the weekend or holiday. Please note the full refund without student-initiated withdrawal encompasses only students who fail to attend all classes registered. Otherwise, for individual courses, including multiple courses, students must initiate withdrawal by timeframes described above, and for shorter-format and online courses, those timeframes described below.

The spirit and intent of the above applies to students in courses that are delivered online or in semesters shorter than 16 weeks. Students enrolled in classes that meet in a format shorter than the traditional semester will have seven calendar days from the designated start of the alternative semester to withdraw for a 100 percent refund less non-refundable fees. If the seventh calendar day falls on a weekend or holiday, the refund date will be the first business day following the weekend or holiday. Students who fail to attend at least one class in the first seven days of the semester will be removed from all course rosters and will receive a 100 percent refund of tuition, less non-refundable fees – otherwise, students must initiate withdrawal for individual courses. For online classes, students must submit an assignment within the first seven days of the semester in order to be marked as attended, otherwise the student will be dropped and, if he or she is registered in other classes, will be held financially accountable for the course.

Non-refundable fees are defined as advance tuition or fees defined as non-refundable in the college catalog. All other fees are to be considered refundable including, but is not limited to, comprehensive student services fee. The deadline for a full refund for workshops, such as through an Office of Workforce Development, will be set by the respective offices. Requests for refunds may be made in person, in writing, or by phone.

In extenuating circumstances, the president (or designee) is authorized to offer alternative consideration in the form of tuition credit or waiver to students on a case-by-case basis. Tuition credit on a student account must be used within one calendar year from the date of authorization.

In accordance with federal regulations, refunds for an amount less than \$1.00 (\$.99 or less) will be forfeited.

Section: 400 – Finance	Subject: 420 – Operating Budgets
Policy: Collection of Bad Debts	Date Approved: March 18, 2008
Policy #: 425.13	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

#### **425.13 COLLECTION OF BAD DEBTS**

If CCSNH is unable to collect a student's tuition and fees, the delinquent account may be submitted to a collection agency at the student's expense. The overdue account may also be reported to the credit bureau. If a student has previously been assigned to collections and has paid the balance in full, the student may be required to pay in full for subsequent semesters, at the start of the semester.

Section: 400 – Finance	Subject: 420 – Operating Budgets
Policy: Students' Accounts Containing Student Activity Funds	Date Approved: March 18, 2008
Policy #: 425.14	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

#### **425.14 STUDENTS' ACCOUNTS CONTAINING STUDENT ACTIVITY FUNDS THAT HAVE BEEN SENT TO THE SYSTEM OFFICE FOR COLLECTION**

All funds collected on delinquent students' accounts, including, but not limited to, the student activity funds, will be credited back to the respective college's tuition accounts.

Section: 400 – Finance	Subject: 420 – Operating Budgets
Policy: Financial Aid Refund Check Policy	Date Approved: March 18, 2008
Policy #: 425.15	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

#### **425.15 FINANCIAL AID REFUND CHECK POLICY**

Credit balances caused by financial aid funds must be paid directly to the student – or, if from a PLUS loan, to the parent unless at the time of application the parent answered yes to the credit balance option. The refund shall be paid as soon as possible, and no later than fourteen days after the first day of class of a payment period if the balance was created on the first day of class or before classes began. If the credit balance was created after the first day of class, the balance must be paid no later than fourteen days after the balance was created.

Checks returned as undeliverable will be reviewed and may be reissued if an updated address for the student/parent is provided in a timely manner. If not, the funds shall be returned in accordance with established federal and state regulations. Undeliverable loan funds are returned to the lender as a loan reduction.

Section: 400 – Finance	Subject: 420 – Operating Budgets
Policy: Accounts Receivable Write Off Policy	Date Approved: March 18, 2008
Policy #: 425.16	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

#### **425.16 ACCOUNTS RECEIVABLE WRITE OFF POLICY**

For financial reporting purposes, CCSNH may write off student accounts that are one or more years old. In addition, CCSNH may write off any account that is \$100 or less. All accounts will be subject to collection. The student account will be exempted with a write off detail code. The student will remain on hold and the amount of the write off will be noted in case the student returns to college or if the student requests a transcript.

For debt collection purposes, CCSNH will suspend collections on student accounts where the delinquency date is seven or more years old, unless the student has made recent payment arrangements. The student will continue to remain on hold.

Section: 400 – Finance	Subject: 420 – Operating Budgets
Policy: Fraud	Date Approved: May 19, 2009
Policy #: 426.10	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

## **426.10 FRAUD**

The Community College System of New Hampshire is committed to safeguarding its finances and assets against fraud. As an organization that receives a great deal of its funding from public sources it is our duty to ensure that funds are used for the purposes intended.

### **1. Definition**

Fraud is a deliberate act designed to obtain an unlawful gain. Fraudulent acts include such things as:

- embezzlement,
- alteration of documents,
- misappropriation of funds, supplies, inventory and equipment,
- authorizing or receiving payment for services not performed
- authorizing or receiving payments for hours not worked.

### **2. Reporting**

It is the responsibility of each CCSNH employee to report suspected acts of fraud. Employees are directed to report suspected cases of fraud to the CCSNH Director of Internal Audit. If the employee feels that reporting to the director of internal audit is not appropriate then the employee is directed to report to the chancellor.

Allegations of fraud will be treated confidentially to the extent allowed by law. The director of internal audit or the chancellor will notify the board of trustees finance committee chair when a report of fraud is made.

### **3. Investigation**

The allegation of fraud will be investigated in accordance with existing personnel policies by the director of internal audit or the chancellor or their designee to determine if fraud has occurred and, if so, the director of



internal audit or the chancellor will report to and work with the appropriate authorities to determine the appropriate course of action.

If an employee is unsure if a fraudulent act has occurred the employee is encouraged to contact the director of internal audit for clarification.

#### 4. No Retaliation

No person who in good faith makes a report hereunder shall be subject to harassment, retaliation or adverse employment consequence for having made such a report. Persons are also protected against retaliation for providing information to or otherwise assisting in an investigation by the system, a federal or state regulatory authority or a law enforcement agency, which may result from questionable accounting practices, improper internal accounting controls, questionable audit practices or a violation of system policies. Anyone who retaliates against someone who has made a good faith report under this policy or who has provided information or assistance in connection with an investigation is subject to disciplinary action up to and including immediate termination of service or employment.

Section: 400 – Finance	Subject: 420 – Operating Budgets
Policy: Segregation of Financial Duties	Date Approved: February 17, 2015
Policy #: 427.10	Date of Last Amendment: February 19, 2019
Approved: Ross Gittell, Chancellor	Effective Date: February 19, 2019

### **427.10 SEGREGATION OF FINANCIAL DUTIES**

Segregation of duties is critical to effective internal control; it reduces the risk of both erroneous and inappropriate actions.

In general, no one individual should be assigned job functions in more than one of the following three categories: asset handling and disposition; recording transactions to the general ledger; approving, comparing, and reviewing transactions or balances. When these functions cannot be separated, a detailed review of activities by an unrelated party is required as a compensating control activity.

Segregation of duties is a deterrent to fraud because it requires collusion with another person to perpetrate a fraudulent act. No one person should:

1. Initiate transaction;
2. Approve transaction;
3. Record transaction;
4. Reconcile balances;
5. Handle assets; and,
6. Modify reports.

## 430 CONTRACTS AND GRANTS

Section: 400 – Finance	Subject: 430 – Contracts and Grants
Policy: Contracts, Leases or Arrangements	Date Approved: March 18, 2008
Policy #: 430.10	Date of Last Amendment: February 19, 2019
Approved: Ross Gittell, Chancellor	Effective Date: February 19, 2019

### **430.10 CONTRACTS, LEASES OR ARRANGEMENTS**

1. Purpose: To establish rules and procedures relative to review and approval of contacts entered into on behalf of CCSNH and its colleges.
2. Definition of contract: Any agreement between CCSNH and another party in which legally enforceable commitments are made. These include but are not limited to the following:
  - a. service agreements or contracts
  - b. consultant or personal service contracts
  - c. affiliation agreements
  - d. facility use agreements
  - e. leases
  - f. construction/ critical maintenance contracts
  - g. memorandum of understanding/memorandum of agreement/letter of agreement/letter of understanding
  - h. adjunct faculty contracts
  - i. special service contract and/or a consortium agreement
  - j. any other agreements by whatever name or title, including oral agreements, though CCSNH does not sanction or approve the use of oral agreement.
3. Signature Authority: The board of trustees has delegated authority to enter into contracts, leases and other instruments or arrangements to the chancellor and to the presidents of each college. The president is responsible for delegation of the authority to sign contracts, leases and other instruments to appropriate employees at their respective colleges. A copy of the document delegating signature authority shall be kept by the chief financial officer at each College and a copy sent to the CCSNH chief financial officer or designee. Only employees with power of attorney specifically delegated as set forth above are authorized to sign contracts, leases or other instruments on behalf of CCSNH or one of its colleges.

4. Use of CCSNH Forms: Employees shall use CCSNH forms whenever such forms exist with respect to a particular transaction. Employees shall not vary or make changes to a contractual form without submitting the form for review in accordance with Section 6 of this policy. For contracts under \$25,000, the chief financial officer or other power of attorney may forgo the CCSNH contract forms in favor of a scope of service statement that outlines the vendor's responsibility. This statement, along with a certificate giving evidence of the vendor's appropriate insurance, will be sufficient documentation for contracts under \$25,000 unless, in the opinion of the chief financial officer or other power of attorney, the contract risk is such that it warrants a full contract form.
5. Review Process: Each college and the System Office shall designate qualified employees who shall review any proposed contract before it is signed. For example, contracts with financial, legal, human resource, information technology and/or academic related provisions shall be reviewed by employees with the pertinent experience and qualifications. Final review and retention shall be as follows, depending on the type of contract:
  - a. The respective college chief financial officer (CFO) shall be responsible for review and finalization of all contracts with a financial aspect. This includes, but is not limited to, service agreements, leases, construction contracts and any agreements that contain obligations for payment either to or from the college.
    - 1) CFOs are responsible for ensuring that all contracts with a financial component comply with CCSNH policy, provide the intended benefits to the college, and contain the terms intended, that the contract has been reviewed by the appropriate qualified employee at the college for the type of contract at issue and is signed by an employee with power of attorney.
    - 2) After review by the CFO, all contracts of this type must be submitted to the System Office for review and encumbrance of funds.
  - b. Facility Use Agreements: Facility use agreements are required for use of any of the CCSNH properties by non-CCSNH groups or individuals. Facility use agreements must be reviewed and approved by the college CFO and should be retained by the CFO.
  - c. Memoranda of understanding and other contracts that have no financial component including affiliation agreements must comply with system policy and coverage requirements. Memoranda must be reviewed by an employee with expertise in the subject area and

signed by an employee with signatory authority. Affiliation agreements and memoranda shall be retained by the vice president of Academic Affairs or another individual designated by the college president to retain such documents in a central location.

6. Performance and/or payment before signing: Employees are discouraged from commencing performance under contracts not yet signed by all parties, and no payment shall be made on a contract that is not yet signed by all parties unless such payment is approved by a college president or the chancellor.
7. Common Contractual Terms and Conditions: Employees designated authority to sign contracts, and employees who otherwise negotiate and review contracts, shall review all contracts in detail to ensure they contain the terms of the deal contemplated and shall understand common contractual terms and conditions, including the following:
  - a. Prohibited terms or conditions: Unless otherwise advised by CCSNH legal counsel, no contract shall include the following terms or conditions:
    - 1) Insurance: Any requirement that the CCSNH carry insurance in addition to or in excess of its existing insurance coverage
    - 2) Confidentiality: Blanket requirements that CCSNH keep certain information confidential that may be in conflict with state or federal access to information statutes.
    - 3) Intellectual property: Any provision that the CCSNH waive its intellectual property rights in work for which it has paid and will want to use again.
    - 4) Subrogation: Any requirement that the CCSNH waive its insurer's rights of subrogation for claims arising under the contract.
    - 5) Unlawful Purpose or Effect: Any term or performance that would be unlawful or unenforceable under applicable law.
  - b. Discouraged Terms or Conditions: The CCSNH discourages agreement to the following terms or conditions:
    - 1) Lengthy terms. Any provision that binds the CCSNH to a term of more than three years.
    - 2) Automatic Renewal Clauses: Any provision that enables a contract to renew without an affirmative act by the CCSNH.
    - 3) Incorporation by reference: Any provision that incorporates by reference terms, conditions or other rules

from sources not attached to the contract and not otherwise reviewed for acceptability.

- 4) Limited Notice before Termination: Any provision that enables the other party to termination without sufficient time to allow the CCSNH to make suitable alternative arrangements.
- 5) Exclusivity Clauses: Any provision that binds the CCSNH to use exclusively the other party for the duration of the contract
- 6) Releases: Any requirement that the CCSNH release any other party from certain claims.
- 7) Governing Law. Any requirement that the contract be interpreted or arbitrated under the law of a state other than New Hampshire.
- 8) Indemnification. Any requirement that the CCSNH indemnify the other party against types of claims that are not included in CCSNH insurance coverage.

c. Favored Terms or Conditions: The CCSNH encourages the use of the following terms or conditions:

- 1) Termination Rights: A provision that enables the CCSNH to terminate a contract without undue penalty and without cause.
- 2) End of Semester Expiration or Termination: A provision that enables the contract to continue until after a semester or other important operative time frame is over.
- 3) Third Party Rights: A provision stating that the parties do not intend the contract to create any rights in persons not a party to the contract.
- 4) Appropriation / Allocation Clauses: A clause that expressly makes the CCSNH performance contingent upon continued adequate funding.

8. Additional Notice, Review and Approval Requirements: Before signing the following types of contracts, additional process and/or review as set forth below is required:

- a. Notify the CCSNH chief financial officer of the need for further approval if the contract exceeds the spending limits set forth in the CCSNH policy on purchasing;
- b. Notify the CCSNH chief financial officer for approval if the term of the contract extends for more than three years;
- c. Obtain a review by CCSNH legal counsel and the express approval of the CCSNH chancellor if the contract is for the sale or purchase of real property;

- d. Obtain review by the CCSNH legal counsel and input from CCSNH director of human resources of any employment separation/termination agreement;
  - e. Comply with the CCSNH policy on rental/leasing of college facilities if the contract is to rent or lease a facility to or from another entity and use the CCSNH form of facility use agreement;
9. Violations of this Policy: Any contract executed by the CCSNH in contravention of this policy is hereby declared void if at least one of its provisions materially prejudices CCSNH interests, and if the CCSNH employees authorized to execute a proper and/or amended contract does not act affirmatively to do so. Employees who sign a contract without obtaining the proper review(s) and/or the appropriate authorization may be subject to discipline and, in cases where a contract so signed exposes a college or the CCSNH to a significant liability, personal liability as well.

## 432 GRANTS

Section: 400 – Finance	Subject: 430 – Contracts and Grants
Policy: Conflict of Interest Policy for Grant-Sponsored Projects Administrators	Date Approved: July 17, 2012
Policy #: 432.10	Date of Last Amendment: February 19, 2019
Approved: Ross Gittell, Chancellor	Effective Date: February 19, 2019

### **432.10 CONFLICT OF INTEREST POLICY FOR GRANT-SPONSORED PROJECTS ADMINISTRATORS**

#### 1. Principles

All decisions made in the course of their professional responsibilities by members of the board of trustees, administrators, faculty, and other employees of CCSNH are to be made solely on the basis of a desire to promote the best interests of the college/system. A potential conflict of interest occurs when an individual's personal or private interests might lead an independent observer to question whether the individual's professional actions or decisions are influenced by considerations of significant personal interest, financial or otherwise.

Federal agencies require that grantee institutions maintain an appropriate written and enforced policy on conflict of interest and that all conflicts of interest for each award be managed, reduced or eliminated prior to the expenditure of the award funds.

Each grant sponsored project administrator (commonly referred to as grant principal investigators (PI)), must disclose to the college's chief financial officer all significant financial interests, including those of their spouse and dependent children, (i) that would reasonably appear to be affected by the research or educational activities funded or proposed for funding by the grantor, or (ii) in entities whose financial interests would reasonably appear to be affected by such activities.

#### 2. Investigators Engaged in Externally-Sponsored Research/Educational Activities

As a recipient of externally funded sponsored activities, CCSNH has an obligation to assure that there is no reasonable risk that the design, conduct, or reporting of research and/or educational activities will be biased by any conflicting financial or other interests of a principal investigator.<sup>1</sup>



Principal investigators engaged in externally sponsored activity must, in accordance with federal<sup>2</sup> and college policy, disclose to the chief financial officer (CFO) (or designee) on disclosure forms provided by the grants and receivables administrator, all significant financial and other interests (including those of their spouse and dependent children) that would reasonably appear to affect or be affected by the sponsored activity.

Principal investigators may choose to disclose any other financial or related interest that could present an actual or perceived conflict of interest. Any such disclosure should provide sufficient detail to permit an accurate and objective evaluation.

The disclosure form must be completed and submitted before the contract or grant application is submitted, and the disclosure must be reviewed to determine if further action is required before the college expends any awarded funds or issues a purchase order or subcontract for the acquisition of goods and services related to that project. Disclosure forms must be updated at least annually or more frequently, if new reportable information is obtained during the period of an award.

If the chief financial officer (or designee) determines, after reviewing the disclosure form and other available information, that financial or other interests may affect the design, conduct or reporting of research and/or educational activities or teaching/mentoring activities, the CFO shall consult with the college president (or designee). If this review confirms a potential conflict the project may be referred to the chief operating officer and the board finance committee. Following review of the matter, unless there is no further action needed, the committee will recommend in writing to the principal investigator, chief operating officer, college president and college CFO, one of the following actions:

- Accept the proposed sponsored project;
- Do not accept the proposed sponsored project;
- Accept the proposed sponsored project provided certain conditions or restrictions are imposed so that the conflict will be managed, reduced or eliminated.

Examples of possible conditions or restrictions are:

- Monitoring of research by independent reviewers;
- Public disclosure of significant financial interests;
- Modification of the research plan;
- Disqualification from participation in the portion of the sponsored funded research that would be affected by the significant financial interest;
- Divestiture of significant financial interest;
- Severance of relationships that create actual or potential conflicts.

If the principal investigator is dissatisfied with the committee's recommendations, the principal investigator may, within ten (10) calendar days of such recommendation, appeal to the president who will consult with the chief operating officer and committee, as appropriate. After such review, if necessary, the matter will be presented to the board of trustees for a final determination.

Should a potential conflict of interest exist, prior to the expenditure of funds under the award, the college will report to the appropriate federal agency the existence of a conflicting interest (but not the nature of the interest or other details) found by the college and assure that the interest has been managed, reduced, or eliminated in accordance with this policy; and, for any interest that the college identifies as conflicting subsequent to the college's initial report under the award, the report will be made and the conflicting interest managed, reduced, or eliminated, at least on an interim basis, within sixty days of that identification.<sup>4</sup>

All records, including all financial disclosures and all actions taken by the college with respect to each conflicting interest, will be maintained for a period of no less than three (3) years from the date of submission of the final expenditure report, or until the resolution of any action involving these records, whichever is longer. Upon written request of a sponsoring agency, disclosure documents and related records pertaining to the specific sponsored project will be made available.<sup>5</sup>

Collaborators/sub-recipients/subcontractors from other institutions involved in externally-sponsored research and/or educational activities of the college must either comply with this policy or provide a certification from their institutions that they are in compliance with federal policies regarding disclosure of conflicts of interests and that their portion of the project is in compliance with their institutional policies.

### 3. Compliance

All persons subject to this policy are expected to comply with it, fully and promptly. Instances of deliberate breach of this policy, including failure to file or knowingly filing incomplete, erroneous, or misleading disclosure forms, failure to comply with prescribed monitoring procedures, or other violation of this policy, will be reported to the appropriate college administrator.

All known violations, disputes and other issues arising out of the application of this policy to college employees shall be referred to the college president (or designee) for appropriate action. All known violations, disputes and other issues arising out of the application of this policy to System Office

employees shall be referred to the chief operating officer (or designee) for appropriate action. Matters under this policy concerning trustees shall be reported to the chairperson of the board of trustees for appropriate action.

In the event of non-compliance by a principal investigator, the president (designee) will consult with the chief operating officer regarding possible sanctions to be imposed on an investigator that may include, but are not limited to:

- Formal admonition;
- A letter of counsel or warning from the college president to the employee's personnel file;
- Ineligibility to participate in current and future grant programs;
- Non-renewal of appointment/position;
- Dismissal.

The chief operating officer will then recommend an appropriate sanction to the President, who will make the final decision.

In addition, the college shall follow federal regulations regarding the notification of the sponsoring agency in the event a principal investigator has failed to comply with this policy. The sponsoring agency may take its own action, as it deems appropriate, including the suspension of funding for the principal investigator until the matter is resolved.

#### 4. Definitions

For the purposes of this policy:

**"College"** shall mean all of the seven colleges that comprise the Community College System of New Hampshire.

**"Trustee"** shall include any current Trustee and any active Trustee Emeritus serving on any committee of the Board of Trustees.

**"Faculty member"** shall include any person who has a faculty appointment with the College.

**"Investigator"** shall mean a principal investigator, or the grant project director, co-principal investigator or co-project director and any other person who is responsible for the design, conduct, or reporting of research or educational activities funded by any external governmental or private organization, or proposed for such funding. For purposes of financial interest, "investigator" includes the investigator's spouse and dependent children.

**"Externally sponsored activities"** shall mean all sponsored activity funded by an external source and processed through the CCSNH Grants Department.

**"Research"** means a systematic investigation designed to develop or contribute to generalized knowledge including behavioral and social-sciences research. The term encompasses basic and applied research and product development." This includes any such activity for which research funding is available from a grant or cooperative agreement.<sup>1</sup>

**"Significant financial interest"** shall mean any direct or indirect interest with monetary value, including but not limited to:

- Salary, other payments for services (e.g., consulting fees or honoraria), royalties or other payments that, when aggregated for the individual and the individual's spouse and dependent children over the next twelve months, are expected to exceed \$10,000;
- Equity interests (e.g. stocks, stock options or other ownership interests) that, when aggregated for the individual and the individual's spouse and dependent children, either exceeds \$10,000 in value (as determined through reference to public prices) or represents more than five percent (5%) ownership interest in any single entity;
- Intellectual property rights (e.g., patents, copyrights and royalties from such rights).

The term "significant financial interest" does **not** include:

- Salary, royalties, or other remuneration from the College;
- Income from seminars, lectures, or teaching engagements sponsored by US Federal, state, or local non-profit entities;
- Income from service on advisory committees or review panels for public or nonprofit entities.

<sup>1</sup> Title 42CFR Part 50.601 Subpart F

<sup>2</sup> Title 42 CFR Part 50, Subpart F, National Science Foundation GPM Chapter 5, sec 510

<sup>3</sup> NIH Grant Policy Statement Part II: Terms & Conditions of NIH Grant Awards, Subpart A: General

<sup>4</sup> Title 42CFR Part 50.601, Subpart F

<sup>5</sup> 42 CFR 50.604 (e) Maintenance

National Science Foundation Award and Administration Guide, Chapter IV, Grantee Standards

## **440 PURCHASING**

Section: 400 – Finance	Subject: 440 – Purchasing
Policy: Travel Reimbursement Policy	Date Approved: February 19, 2019
Policy #: 440.10	Date of Last Amendment:
Approved: Ross Gittell, Chancellor	Effective Date: February 19, 2019

### **440.10 TRAVEL EXPENSE POLICY**

#### **I. Policy**

It is the policy of the Community College System of NH (CCSNH) to pay for reasonable and necessary expenses incurred by employees and authorized non-employees for authorized CCSNH business travel. This policy applies to employees and non-employees who travel on authorized CCSNH business, regardless of funding.

#### **II. Authority**

- A. The chancellor shall have the authority and shall delegate to each college president the authority to approve/disapprove business travel expenses for personnel assigned to their respective CCSNH institution.
- B. Budget allocations for business travel expense allowance shall be determined by each CCSNH institution.
- C. An employee or non-employee may not approve their own request for CCSNH payment of business travel expenses.
- D. Prior approval for travel requests is required for CCSNH payment of travel expenses. CCSNH institutions may provide general prior approval for mileage, parking and toll reimbursement for employees who use privately owned vehicles for in-state CCSNH business travel.

#### **III. Travel for Non-Employees**

Non-employees of CCSNH incurring authorized CCSNH business-related travel expenses are subject to the same policies and procedures that are applicable to CCSNH employees. All travel for non-employees must be

approved by the president and/or chancellor or designee prior to travel occurring.

#### **IV. Responsibility**

Travelers are expected to exercise good judgment when incurring travel costs. All business travel should be planned so that the best interests of CCSNH are served at the most reasonable rates. Travelers should verify that planned travel is authorized and eligible for payment by CCSNH before making travel arrangements.

#### **V. Allowable Expenses**

- A. CCSNH shall provide payment for business travel expenses only if such expenses are reasonable, properly authorized, appropriately documented, and within the guidelines of established financial and travel policies and procedures.
- B. Travelers should exercise care to ensure the appropriateness of such expenses to avoid impropriety and/or the appearance of impropriety. Excessive and/or unjustifiable costs, or cost associated with personal travel or expenses are not allowable.
- C. Approval of travel expenses shall be made in accordance with the CCSNH finance procedures and the provisions of established collective bargaining agreements. CCSNH shall only pay for expenses that have not been and will not be received from another source. A request for approval of business-travel expenses that does not conform to the policies and procedures established by CCSNH may be denied.

#### **VI. Changes or Cancellations**

In the event of changes to business-travel, the traveler may request reimbursement of penalty costs provided that the cancellation or plan change was directed by or made for the convenience of CCSNH, or was necessitated by an unforeseen emergency affecting the traveler. Such payments will be made in accordance with established CCSNH policies and procedures.

Section: 400 – Finance	Subject: 440 – Purchasing
Policy: Procurement	Date Approved: May 19, 2009
Policy #: 440.20	Date of Last Amendment: January 18, 2019
Approved: Ross Gittell, Chancellor	Effective Date: January 18, 2019

## **440.20 PROCUREMENT**

CCSNH procurement's primary objective is to award timely and cost-effective contracts to qualified contractors, suppliers and service providers for goods and services effectively supporting our mission statement.

1. Delegation of Authority: The board of trustees, through its policies, has delegated to the chancellor the responsibility and authority for approval, oversight, and management for purchases of goods and services of up to \$100,000, with expenses specifically designed in an annual budget at a threshold of \$500,000. The chancellor may delegate to the presidents the responsibility for approval, oversight and management at their local college up to \$100,000.
2. Source of Funds: CCSNH purchasing procedures are applicable to all transactions regardless of the source of funds. In some cases, such as under sponsored agreements with the federal government, more stringent rules may be specified. Expending restricted funding first is preferred unless disallowed by a specific grant program.
3. Competitive Bids Required: CCSNH requires competitive bids for purchases of \$50,000.00 and over to keep costs at a minimum and to give interested suppliers an equal opportunity to supply goods and services to CCSNH. Certain exceptions to the competitive bid process may apply and are detailed in 440.20(11). All bids will be posted to the CCSNH website for a minimum of two weeks. In addition, all bids for service are required to be advertised in a state-wide publication for a minimum of 3 days. Advertising in other publications is permissible, but not required.
4. Timely Bid Proposals: RFP specifications must be provided to the System Office Finance Department at least 30 days prior to the requested posting date. A shorter period may be allowed where necessitated by emergency or extraordinary/extenuating circumstances. It is the expectation that colleges will submit timely

specification for budgeted and ordinary contracts and purchases that require an RFP. Failure to request a timely RFP for budgeted and ordinary contracts and purchases does not constitute an emergency and may result in a posting delay.

5. Ethical Practices and Conflict of Interest: Individuals purchasing goods and services on behalf of CCSNH must conduct business in a professional manner and all qualified vendors must be given an equal opportunity to compete for CCSNH business. Purchasing decisions should be made with integrity and objectivity, free from any personal bias or benefit, and be in compliance with CCSNH purchasing policies and procedures.
6. Unauthorized Purchase: Any individual committing CCSNH funds without proper authorization does so at his or her own risk. CCSNH may decline to ratify the purchase, declare it to be void and decline to pay. In such a case, the individual has acted at his or her own personal financial risk. Whenever possible where CCSNH has declined to ratify the purchase, it will attempt to return the improperly purchased item to the vendor. If the purchase cannot be returned, the CCSNH may require reimbursement from the individual who placed the order.
7. Grant Funded Purchases: Refer to the Grants Management Manual for detailed instructions regarding grant-funded purchases. Purchases that do not comply with the grant award agreement will result in a charge back of the product or service to the college's operating budget.
8. Timely Orders and Emergencies: In the case of an emergency purchase of \$50,000 or greater, the CCSNH chief operating officer must be informed of the situation as soon as possible by the college. The chief operating officer and the college will work together to address the emergency situation. Written documentation describing the emergency must be attached to a requisition stating the circumstances related to the incident.
9. Brand Justification Requests: For contracts and purchases of \$10,000.00 or more, bidding on the basis of brand has the result of selectively choosing who may and may not bid. In cases where a certain brand, make or model of product is required:
  - Written justification stating the reason must be provided and include an explanation of why the specific brand, make or model of product,



the services of a particular provider or commodity of a particular manufacturer, is requested, and

- An explanation of why other brands, makes, models, providers or manufacturers would not be acceptable.
- In instances where a specific brand, make, or model is being requested by an industry partner, or is determined to be industry standard, a certification documenting the information and signed by the industry partner should be attached to the requisition.

The request shall be granted for the brand justification by the CCSNH chief operating officer or designee if they conclude that the specific brand, make or model of product, the services of a particular provider, or the commodity of a particular manufacturer either:

- a) is required for the college making the request to fulfill its mission
- b) is required in order to preserve the health or safety of personnel or other persons, or
- c) Is necessary in view of existing equipment or other commodities which would be rendered non-functional.

Upon approval of a brand justification, the requestor must determine if the brand requested is sold by a single or multiple vendors.

- If the brand is available from multiple vendors, the requestor is required to obtain the appropriate number of quotes, or issue a request for proposal, based on the dollar value of the purchase.
- If the brand is sold by only a single distributor or manufacturer, refer to the Sole Source Requests below.

10. Sole Source Requests: In cases which a required commodity or service is procurable from only one source or seller, the college/System Office shall:

- State on the requisition form the name and address of the suggested vendor that it believes is the only source of the commodity or service
- Submit to the CCSNH chief operating officer a sole source request in writing which shall include a statement of why the college/System Office believes that the suggested vendor is the sole source of the commodity or service requested
- In cases of commodity, a written verification from the product manufacturer that verifies only they or a single distributor is authorized

to provide the requested product must be attached to the requisition form

Sole source approval shall be granted if the sole source justification demonstrates that the requested commodity or service is procurable from only one source or seller. Sole source approval does not waive the requirement of brand justification approval.

If the lowest bid or bids meeting or exceeding the RFP specifications is not selected, a written justification providing a detailed explanation as to why the vendor or vendors were not selected must be provided by the requisitioner and approved by the CCSNH chief operating officer or designee. It is the final decision of CCSNH chief operating officer or designee to accept or reject this justification.

All documentation is to be forwarded to the CCSNH System Office Finance Department.

Per the Uniform Guidance, 200.320(f) noncompetitive procurement with federal funds may be used but only under certain circumstances. Refer to this section of the Uniform Guidance and the grant award documentation for confirmation.

11. With appropriate documentation, the following exceptions may apply to the competitive bid and/or multiple quote requirements:

- a. Utilization of State of NH purchasing contracts
- b. IT expenditures that are considered part of existing infrastructure in nature
- c. Library expenditures that are considered part of existing infrastructure in nature
- d. Marketing campaign expenditures

## Purchasing Process Overview:

IF PURCHASE IS	THEN
<b>Less than \$10,000</b>	<p>Use the appropriate method to initiate purchase or to pay for goods or services:</p> <ul style="list-style-type: none"> <li>• P-Card (Some services/commodities may not be purchased by P-Card. Please see P-Card procedures to confirm)</li> <li>• All grant funded purchases require a completed and signed requisition; requisition and quotes are forwarded to the System Office Finance Department</li> <li>• Use of P-Card is a form of payment only and does not waive CCSNH purchasing policy requirements</li> <li>• Direct Pay Invoice</li> <li>• Requisition Form/Purchase Order</li> <li>• IT Purchases of \$2,000 and above and all software purchases require System Office CIO approval</li> <li>• Colleges may require IT approval at the local level in addition to system level approval. Refer to your local purchasing procedures for guidance.</li> </ul>
<b>Between \$10,000 and under \$50,000</b>	<p>Obtain three quotes and then use one of the appropriate methods listed above to initiate purchase.</p> <ul style="list-style-type: none"> <li>• Use of P-Card is a form of payment only and does not waive CCSNH purchasing policy requirement</li> <li>• All grant funded purchases require a completed and signed requisition; requisition and quotes are forwarded to the System Office Finance Department</li> <li>• For federal and federal pass-thru grant funded purchases over \$25,000, verification that the debarred and suspended vendor list has been reviewed and the vendor requested for payment is not listed as excluded on the System for Awards Management (SAM) must be attached to the requisition</li> <li>• IT Purchases of \$2,000 and above and all software purchases require System Office CIO approval</li> <li>• Colleges may require IT approval at the local level in addition to system level approval. Refer to college purchasing procedures for guidance.</li> <li>• Certain exceptions to the quotation requirement may apply and are detailed in 440.20(11).</li> </ul>

**Over \$50,000**

College completes and receives necessary approvals on requisition and provides technical specifications for item(s) requested.

- Documentation is forwarded to the System Office Finance Department
- System Office Finance Department staff work in consultation with the College Business Office to initiate a formal bid process, or
- System Office chief operating officer determines if an exception to bid is appropriate.
- Use of P-Card is a form of payment only and does not waive CCSNH purchasing policy requirement
- IT Purchases of \$2,000 and above and all software purchases require System Office CIO approval
- Colleges may require IT approval at the local level in addition to system level approval. Refer to your local purchasing procedures for guidance.
- Certain exceptions to the competitive bid process may apply and are detailed in 440.20(11).
- The review and approval of proposed contracts, leases, or arrangements in the amount of \$100,000 or more and/or such proposed instruments that may be unusual by complexity or intent must be approved by the CCSNH Board of Trustees Finance Committee.

**Additional Requirement for IT and Grant Purchases**

All Information Technology related purchases over \$2,000 must have written approval from the System Office CIO. Colleges may require IT approval at the local level in addition to system level approval. Refer to your local purchasing procedures for guidance. All software purchases must have written approval from the System Office CIO.

The bid process is required on all federal and federal pass-thru projects for purchases and services over \$50,000.00. An exception to the bid process may be allowed by some federal agencies but only under certain circumstances. Refer to the uniform guidance and grant award documentation. If any part of this policy is in conflict with a grant award agreement, the grant award agreement will prevail. Limiting competition based on geography is not allowable with federal funds.

Section: 400 – Finance	Subject: 440 – Purchasing
Policy: Fleet Management	Date Approved: October 16, 2019
Policy #: 440.21	Date of Last Amendment: October 16, 2019
Approved: Ross Gittell, Chancellor	Effective Date: October 16, 2019

## **440.21 FLEET MANAGEMENT**

### **I. Policy Statement**

The Community College System of New Hampshire (CCSNH) is committed to maintaining a fleet management program in a manner that meets its business needs efficiently and effectively, promotes the safe and authorized operation of motor vehicles operated on behalf, or for the benefit, of CCSNH and its colleges and complies with state and federal law.

### **II. Policy Purpose**

The purpose of this policy is to:

- Promote safety in the maintenance and use of CCSNH fleet vehicles;
- Provide a program structure for the use, purchase, assignment, maintenance and retention of CCSNH fleet inventory; and
- Promote compliance with state and federal motor vehicle driving and laws of all individuals who operate a motor vehicle on behalf of or for the benefit of CCSNH.

### **III. Scope of Policy**

This policy applies to all persons authorized to operate motor vehicles for official CCSNH business. Persons who shall be authorized to utilize CCSNH owned or leased vehicles shall include employees, student employees and/or others authorized by the fleet vehicle administrator in consultation with the Director of Risk Management and Director of Human Resources. This policy also applies to individuals who travel on behalf of CCSNH for business or CCSNH sponsored student activities and governs the use, purchase, lease, assignment, maintenance and retention of vehicles for CCSNH business.

#### **IV. Definitions**

- 1) Fleet Vehicle Administrator is the individual designated to carry out the duties set forth in this policy. The Chancellor shall act as the fleet vehicle administrator or designate another individual within the chancellor's office to act in this capacity for the purpose of authorizing and enforcing the rules and regulations pertaining to the use of CCSNH fleet vehicles maintained by the chancellor's office. Each college president shall act as the fleet vehicle administrator or designate another individual at his/her college to act in this capacity for the purpose of authorizing and enforcing the rules and regulations pertaining to the use of CCSNH fleet vehicles maintained by the college.
- 2) An approved driver is a person who has passed the required defensive driver training course, is licensed to operate a vehicle in New Hampshire and has not had their status as an approved driver revoked or suspended.

#### **V. Fleet Management**

##### **A. General Principles**

- 1) CCSNH fleet vehicles include all vehicles owned or leased by CCSNH institutions. Driving a CCSNH fleet vehicle is a privilege and only an approved driver is authorized to drive such vehicles. Further, only an approved driver may seek reimbursement of travel expenses for mileage incurred while on official CCSNH business using a personal vehicle where a fleet vehicle is not otherwise available.
- 2) It is the driver's responsibility to operate the vehicle in a safe manner and to drive defensively to prevent injuries and property damage. As such, CCSNH endorses all applicable state motor vehicle regulations relating to driver responsibility. CCSNH expects all drivers to drive in a safe and courteous manner.
- 3) Failure to comply with the fleet vehicle policies and procedures may result in disciplinary action and the driver may lose the status of approved driver.

##### **B. CCSNH Fleet Vehicles Authorization of Use**

- 1) The fleet vehicle administrator shall certify that all individuals using CCSNH fleet vehicles are approved drivers and otherwise qualified, licensed and authorized to operate said vehicles.
- 2) CCSNH fleet vehicles are to be used only for official business purposes, except as expressly authorized by the fleet vehicle administrator.

##### **C. Driver Eligibility** Authorized drivers of CCSNH fleet vehicles must adhere to the following:

- 1) Drivers must complete a defensive driver training course prior to operating a vehicle for CCSNH business. Drivers of passenger vans or

buses may be required to complete additional training at least annually.

- 2) A refresher defensive driver training course is required once every three years and after any accident.
- 3) All accidents, regardless of severity, must be reported to the employee's institutional human resource officer, fleet vehicle administrator and to CCSNH Director of Risk Management and as appropriate to local law enforcement. Failing to stop after an accident and/or failure to report an accident may result in disciplinary action, including dismissal.
- 4) All CDL drivers must comply with all applicable D.O.T. regulations, including successful completion of medical, drug, and alcohol evaluations.
- 5) CCSNH will not process a mileage reimbursement request until the requesting driver completes the defensive driver training course and provides license verification.
- 6) Any moving violation received while driving a CCSNH fleet vehicle must be reported to the appropriate fleet vehicle administrator.
- 7) Motor vehicle records may be ordered to assess CCSNH authorized driver driving records. An unfavorable record will result in revocation or suspension of status as an approved driver of a CCSNH fleet vehicle or a personal vehicle on CCSNH business.

#### **D. Driver Reporting Requirement**

- 1) Any authorized driver who has a driver's license revoked or suspended shall immediately notify the CCSNH institution's human resource officer and shall not be an approved driver of any CCSNH fleet vehicle or their personal vehicle for CCSNH business while such license revocation or suspension remains in effect. Failure to do so may result in disciplinary action, including dismissal.
- 2) Any moving or parking violations incurred while driving a CCSNH fleet vehicle shall be the responsibility of the driver

#### **E. Driver Safety Rules**

- 1) CCSNH fleet vehicles shall be used only for official college business and except as expressly provided are not to be used for personal purposes.
- 2) It is the driver's responsibility to operate the vehicle in a safe manner and drive defensively to prevent property damage and injury.
- 3) Drivers of CCSNH fleet vehicles, and private vehicles while on CCSNH business unless otherwise noted, shall comply with the following safe use requirements.
  - a) The use of a CCSNH fleet or personal vehicle for business purposes while under the influence of intoxicants and other drugs is forbidden and is sufficient cause for discipline, including dismissal.

- b) No driver shall operate a CCSNH fleet vehicle or personal vehicle for business purposes when his/her ability to do so safely has been impaired by illness, fatigue, injury, or prescription medication.
- c) All drivers and passengers operating or riding in CCSNH fleet or personal vehicles for business purposes must wear seat belts, even if air bags are available.
- d) No passengers other than those associated with the authorized business purpose are allowed to ride in CCSNH fleet vehicles.
- e) No person, while driving a motor vehicle or while halted in traffic shall be permitted to use a hand-held mobile electronic device.
- f) The use of Bluetooth-enabled or other hands-free electronic device that is physically or electronically integrated into a motor vehicle may be used providing the driver does not have to divert his or her attention from the road.
- g) Smoking is not permitted in CCSNH fleet vehicles.
- h) No animals shall be transported in CCSNH fleet vehicles except those certified as service animals.
- i) Drivers are responsible for the security of CCSNH fleet vehicles assigned to them. The vehicle engine must be shut off, ignition keys removed, and vehicle doors locked whenever the vehicle is left unattended.
- j) Head lights shall be used 1/2 hour after sunset and 1/2 hour before sunrise, or during inclement weather or at any time when a distance of 500 feet ahead of the vehicle cannot be seen clearly.
- k) All state laws, local laws, and D.O.T regulations shall be observed.
- 4) Any violation of the above safety regulations may result in driving privileges being revoked.

#### **F. Special Assignment**

- 1) Special assignment of a CCSNH fleet vehicle is permitted only where extensive travel is necessary to fulfill duties as assigned. All specially assigned vehicles shall be authorized by the Director of Human Resources.
- 2) Any authorized nonbusiness use of a CCSNH fleet vehicle is to be reported annually as non-wage fringe benefit in accordance with the Internal Revenue Service regulations.

#### **G. Fleet Efficiency**

- 1) Each fleet vehicle administrator or designee shall monitor, analyze, and evaluate the utilization of CCSNH fleet vehicles; develop methods and procedures to improve the efficiency of CCSNH fleet vehicles; develop recommendations for managing fleet size; and annually make recommendations for purchase or lease of fleet motor vehicles and redistribution of vehicles within the CCSNH inventory.
- 2) The fleet vehicle administrator or designee is responsible for tracking the monthly mileage and expenses of each vehicle in the fleet. This



data shall be used when calculating the breakeven mileage by multiplying total vehicle expenses by the federal mileage reimbursement rate.

- 3) A fleet vehicle may be traded in or sold when: 1) the vehicle is 10 years old (or 5 years old in the case of passenger vans and buses) or has otherwise been determined to be unsafe for continued use, 2) when the estimated repairs exceed the value of the vehicle or 3) when it is at the end of its lease or no longer serves the purpose for which it was acquired.
- 4) By April 1<sup>st</sup> of each year the fleet vehicle administrator is responsible to report to the CCSNH Director of Risk Management a list of current vehicles in the fleet as well as a list of drivers who frequently drive the fleet vehicles.

#### **H. Fleet Fueling and Maintenance Requirements**

- 1) The fleet vehicle administrator shall ensure the maintenance program for all fleet vehicles is adequate and well documented. Complete records for repairs, maintenance, tires and other expenditures must be maintained for each vehicle. No fleet vehicle may be operated without a current State of New Hampshire safety inspection sticker.
- 2) The fleet vehicle administrator shall ensure that each vehicle contains information regarding the location of the nearest state fuel pump and directions for refueling at the state pump, an institution issued gas card, and an up to date auto insurance card. Drivers shall utilize a state fuel pump or institution issued gas card for refueling.
- 3) For vehicles used to transport people, such as an activity bus or van, each vehicle shall contain for emergency use a fire extinguisher, first aid kit, and reflectors, which must be checked regularly.

#### **I. Fleet Inventory Purchasing**

- 1) The fleet vehicle administrator shall review the monthly utilization statistics to determine if alternative methods of providing transportation such as reimbursing for private vehicle use is more practical or cost-effective than a new vehicle purchase.
- 2) Authorization for the acquisition of a vehicle must be in accordance with the guidelines set forth in the equipment purchasing policies of CCSNH.
- 3) All vehicles must be equipped with standard manufacturer option packages. Options or packages that are for comfort or convenience should not be ordered unless approved in advance by the fleet vehicle administrator.

Section: 400 – Finance	Subject: 440 – Purchasing
Policy: Petty Cash	Date Approved: May 19, 2009
Policy #: 440.30	Date of Last Amendment: February 19, 2019
Approved: Ross Gittell, Chancellor	Effective Date: February 19, 2019

### **440.30 PETTY CASH**

1. Petty cash may be used to reimburse authorized expenditures up to \$300 per transaction. There are three types of petty cash funds: administrative, café/restaurant and student activity (including athletics).
2. Petty cash may not be used:
  - a. For transactions over \$300 (splitting one transaction over \$300 into 2 or more parts is specifically not allowed)
  - b. To make personal loans
  - c. To pay employees or non-employees compensation for services rendered (including honoraria or other stipends)
  - d. To pay moving expenses
  - e. To buy hazardous materials or controlled substances
  - f. As a check-cashing service
  - g. To pay for expense that is personal or otherwise not allowable according to current CCSNH policy.
3. Receipts of cash or checks by the department may not be commingled with petty cash funds.
4. Allocation of Petty Cash. The allocation form is used as a record of whom has been assigned responsibility of petty cash funds at the campuses.
5. When responsibility of any petty cash funds is changed, a reconciliation should be performed to ensure all of the funds are accounted for. Any discrepancy should be explained by the person relinquishing the funds before assigning a new responsible party.
6. Revocation of a Petty Cash Fund. If it is determined that a petty cash fund is being misused or not properly accounted for, the fund will be closed.

Section: 400 – Finance	Subject: 440 – Purchasing
Policy: Capital Assets	Date Approved: July 1, 2015
Policy #: 440.40	Date of Last Amendment: February 19, 2019
Approved: Ross Gittell, Chancellor	Effective Date: February 19, 2019

#### **440.40 CAPITAL ASSETS**

Capital assets are recorded at cost when purchased or constructed and at fair value at date of donation. For financial reporting purposes, equipment (including equipment acquired under capital leases), capital projects and internally generated intangibles with a projected cost of \$5,000 or more are capitalized. Cost for maintenance, repairs and minor renewals and replacements are expensed as incurred. The costs of library materials are expensed as incurred.

Depreciation and amortization of assets acquired are recorded on a straight-line basis over the estimated useful lives of the related assets, principally as follows:

	Years
Buildings	40
Building and land improvements	20
Equipment	5

When capital assets are retired or otherwise disposed of, the asset and accumulated depreciation accounts are adjusted and any resulting gain or loss is reflected in the statement of revenues, expenses and changes in net position.

## **443 GIFTS OF EQUIPMENT, SUPPLIES OR MATERIALS**

Section: 400 – Finance	Subject: 440 – Purchasing
Policy: Gifts of Equipment, Supplies or Materials	Date Approved: March 18, 2008
Policy #: 443.10	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

### **443.10 GIFTS OF EQUIPMENT, SUPPLIES OR MATERIALS**

Acceptance of all gifts of equipment, supplies, or materials with a fair market value less than \$50,000 shall be delegated by the chancellor to the president of each CCSNH institution. Acceptance of all gifts of equipment, supplies or materials with a fair market value in excess of \$50,000 shall be approved by the chancellor.

1. Presidents will forward the following information to System Office: name and address of donor, items donated, approximate value, condition/usefulness of the items, and the program/purpose for which donations will be utilized.
2. Presidents will write thank you letters to donors of items less than \$50,000. Copies of these letters will be sent to the System Office.
3. The chancellor will write thank you letters to donors of items more than \$50,000.
4. The System Office will maintain a list (database) of all donations.

Section: 400 – Finance	Subject: 440 – Purchasing
Policy: Processing of Donations	Date Approved: March 18, 2008
Policy #: 443.20	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

### **443.20 PROCESSING OF DONATIONS**

1. The president will be alerted immediately to the fact that a company is interested in donating equipment and/or materials to the college.
2. The stock control supervisor will be requested to make the initial contact with the firm to ascertain the following: general shape description, electrical and mechanical characteristics, age, condition, availability of repair parts, manuals, parts lists and net worth.
3. The above information will be passed on to the appropriate department/division chairperson. If the department/division chairperson decides that this equipment will enhance the educational program, the following steps will be taken:
  - a. The department/division chairperson or a member of the department/division will personally view and evaluate the appropriateness of the equipment.
  - b. If the equipment is found to be suitable, a brief statement will be prepared explaining how this equipment will be utilized and that there is space available.
  - c. If equipment is found to be unsuitable, it will be so stated at the visitation.
  - d. In either case, a follow-up thank you letter signed by the president will be drafted and sent.
  - e. On acceptance of the equipment, the stock control supervisor will be directed by the president to arrange for the pickup and delivery.

Section: 400 – Finance	Subject: 440 – Purchasing
Policy: Disposal of Surplus Equipment	Date Approved: March 18, 2008
Policy #: 443.30	Date of Last Amendment: February 19, 2019
Approved: Ross Gittell, Chancellor	Effective Date: February 19, 2019

### **443.30 DISPOSAL OF SURPLUS EQUIPMENT**

Supplies and equipment acquired through CCSNH are the property of CCSNH or a state, federal or other sponsor. Surplus property is supplies or equipment which are obsolete, damaged, unusable or in excess of need. This includes all tangible assets with the exception of real property. CCSNH may not unilaterally dispose of CCSNH or sponsor's property.

Each department chair, dean, director, project director or business manager is responsible for all property under his/her control. College/System Office CFO's are responsible for determining the appropriate disposition of all surplus property and for authorizing and accomplishing such disposition. They may delegate authority for disposition as size, condition, value, location, or as other item attributes dictate. Campus stock control is responsible for properly recording disposal of surplus property and the campus CFO is responsible for recording any proceeds received.

Campus facilities departments are responsible for removal and transportation of surplus property, except when specified differently in an open bid. In the case of selling surplus items, it will be the responsibility of the purchaser to make their own arrangements, at their own cost, to pick up the equipment.

The following procedure must be followed for the disposal of surplus property:

1. Recipients of disposed property could include other campus departments, other campuses or system office, third-parties, scrap or other appropriate disposal

If the campus deems it is best to sell an item(s) through a third party, the third party must be approved through the System Office. Each college and the System Office shall be responsible for determining the appropriate sale amount of each item and must properly record the sale and funds received from each. Each college and the System Office shall be responsible for establishing their own accounts for such sales CCSNH employees do not have the authority to sell any personal items on the

college and/or the System Office accounts. CCSNH employees shall have the ability to bid on any items listed with a third party, but must submit their formal bid through the third party.

Student activity funded items are to be disposed of using the same rules, with the exception of having to offer to other CCSNH campuses.

2. Specific Campus Procedures:
  - a. Campus stock control will work with the department to determine the disposition of the item(s) declared surplus by completing the surplus property request form.
  - b. Campus stock control must adequately identify each piece of equipment being disposed by including: tag/barcode number, description, serial number, and other such identifying information.
  - c. Campus stock control or business administrator must determine the estimated current market value of the property.
  - d. Campus stock control must notify CCSNH Supervisor of Inventory of how item(s) were disposed, by sending a copy of all documentation.
  - e. Campus stock control will facilitate the removal of the property.
  - f. IT equipment, including but not limited to servers, printers, personal computers, cell phones, PDAs, hard drives, removable storage devices, etc. must be wiped.
  - g. The CCSNH Bill of Sale is to be used for every piece of equipment that is sold.
3. Items for disposal require removal of identifying information and in accordance with stock control procedure for removal of electronic or hazardous property.
4. For disposal of property purchased with federal grant or contract funds, the campus must obtain all necessary written approvals from the applicable sponsor and/or cognizant agency prior to advertisement or disposal. If there is a residual inventory of unused supplies and/or equipment exceeding \$5,000 in total aggregate fair market value upon termination of the grant and if the equipment and/or supplies are not needed for any other federally sponsored programs or projects, the

grantee or sub grantee shall compensate the awarding agency for its share.

When original equipment acquired under a Perkins Grant is no longer needed for the original project, nor for other activities currently or previously supported by Perkins, disposition of the equipment will be made as follows:

- 1) If the equipment still has useful life, it is recommended that another federal or district program use it
- 2) Items of equipment with current per-unit fair market value of less than \$5,0000 may be retained, sold, or otherwise disposed of with no further obligation to the awarding agency.
- 3) Items of equipment with a current per-unit fair market value in excess of \$5,000, may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by awarding the agency's share of the equipment.
- 4) If the item no longer has useful life, it is recommended that the item be disposed of in the following order:
  - a. Use the equipment in another Perkins-funded program at the CCSNH consortium college;
  - b. Use the equipment as trade-in when purchasing new equipment;
  - c. Dispose of the equipment using the CCSNH Consortium College disposition policy.

The college Perkins manager will be responsible for implementing the appropriate disposition method.

Property records of disposed equipment must be kept on file for not less than three years after date of disposition.

5. **Proceeds from the Sale:** In all instances, revenue from internal sales will be applied to the appropriate fund and tagged to a miscellaneous revenue code.
6. Any college employee interested in surplus items must follow the same procedures as external buyers and must not participate in bid opening.



## **450 INVESTMENT MANAGEMENT**

Section: 400 – Finance	Subject: 450 – Investment Management
Policy: Cash Management and Liquidity	Date Approved: April 22, 2009
Policy #: 450.10	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

### **450.10 CASH MANAGEMENT AND LIQUIDITY**

CCSNH's chief financial officer /treasurer is charged with the management of all pooled cash, including all funds other than those held in endowment by the affiliated Community Colleges of New Hampshire Foundation, for which separate investment guidelines have been established. This statement will be subject to periodic review and possible modification by the CCSNH Investment Committee, as the committee considers necessary to achieve cash management and investment and liquidity requirements.

#### **Moral, Ethical and Social Considerations**

Cash balances will be invested consistently with the moral, social and ethical criteria adopted by the board of trustees on recommendation of its budget, finance and investment committee as related to the long term investment pool, including the endowment fund. Criteria for socially responsible investing shall include, where advisable and consistent with investment quality, return, and safety guidelines, the use of community and state institutions for investment purposes. Where returns are reasonably equal (within 10 basis points).

#### **Investment Management Responsibility and Structure**

Cash management and investment responsibility resides with the chief operating officer and treasurer, in consultation with the controller, with authority delegated from the CCSNH Board of Trustees.

1. Investments may be made internally using allowable instruments and institutions; or,
2. Investment manager(s) may be engaged to invest system assets consistent with this policy. Subject to this policy and a written agreement between the system and the investment manager, the investment manager will be given discretion to select individual securities and to make adjustments to the structure of the portfolio.

**Liquidity**

CCSNH must operate with an adequate level of institutional liquidity to minimize risk associated with temporary, unforeseen liquidity needs and therefore has a minimum liquidity target of \$2 million. Liquid funds that are unrestricted, unencumbered general fund net assets shall be used to satisfy the minimum liquidity target. For the purposes of this policy, general fund net assets that are restricted in their use, or otherwise encumbered by board or administrative action, shall not be available to satisfy the minimum liquidity target.

**Administration and Reporting**

A. The treasurer will report to the investment committee quarterly the cash balances in each asset group. Investment manager(s) will report to the committee considers necessary, but not less than semi-annually:

1. Investments in each asset group by manager and investment type or fund
2. Performance of each individual investment type within each asset group
3. A schedule of unrestricted, unencumbered General Fund Net Assets compared to the Minimum Liquidity Target.

B. The Treasurer opens accounts with banks, investment firms, or commercial paper institutions, and/or to execute purchases and sales, in order to implement this Cash Management and Liquidity Policy.

**Investment Objectives**

Pooled cash for purposes of investment allocation shall be divided into three asset groups as follows:

- Short-term pool: Cash that is expected to be needed for normal operating expenditures within a one-year period. The primary objective is preservation of principal and liquidity. Maximization of investment income without undue exposure to risk is a secondary objective.
- Intermediate-term pool: Cash that is expected to be needed within a period of two years to seven years. The primary objectives are preservation of principal and maximization of investment income with limited to moderate exposure to risk.
- Long-term pool: Cash that is not expected to be needed for operational purposes for a period exceeding seven years and/or that may be designated as a permanent core. The primary investment objective is to achieve consistent long-term growth of the pool with limited to moderate exposure to risk.

**Maturity Guidelines**

- Short-term pool: The average weighted maturity for a short-term portfolio shall be between one day and one year.
- Intermediate-term pool: The average weighted maturity for intermediate-term portfolio shall be between two years and seven years.
- Long-term pool: Permanent core cash may be invested in any investment that is allowable under the system's statement of objectives and policies for the endowment fund and that meets the overall objective of achieving consistent long-term growth of the pool with limited exposure to risk.

### **Performance Objectives**

- Short-term pool: The benchmark for the short-term portfolio shall be total return that meets or exceeds the yield of three-month U. S Treasury securities.
- Intermediate-term pool: The benchmark for intermediate-term portfolio shall be total return that meets or exceeds the Bloomberg Barclays 3-5 Year U.S. Treasury Bond Index.
- Long-term pool: The benchmark for the investment of the long-term pool shall correspond to the benchmarks for each asset class as specified in the system's statement of objectives and policies for the long term investment pool, including the endowment fund.

### **Allowable Investments for Asset Groups**

For all of the asset groups described below, the treasurer will develop in conjunction with the board of trustees investment committee, a list of approved funds and fund managers from which the treasurer may select managers as appropriate. This list will be reviewed and approved the by the investment committee, as the committee considers necessary.

Short-term Pool: Investments in the short-term and intermediate-term portfolio are restricted to U.S. Treasury and government agency securities, money markets, high quality corporate securities, and commercial and bank paper. Investments shall be in marketable securities of the following types, with the noted credit ratings:

1. Debt securities rated AA, AA, A or BAA by Moody's Investor's Service, Inc. or AAA, AA, A or BBB by Standard & Poor's Corporation.
2. Obligations of, or guaranteed by, the United States of America, its agencies or instrumentalities.
3. Obligations of, or guaranteed by, national or state banks or bank holding companies rated B or better. No more than 20% of the funds held in the cash pool shall be invested in debt obligations of institutions within any single holding company.
4. Commercial paper rated A-1 or higher by Standard and Poor's or Prime-1 (P1) by Moody's Investor's Service, Inc.

5. Bankers' acceptances or negotiable certificates of deposit issued by banks rated B or better. No more than 20% of the funds held in the cash pool shall be invested in certificates of deposit, bankers' acceptances or floating rate notes of the institutions within any single holding company.
6. Repurchase agreements of banks having Fitch ratings no lower than B secured by the U.S. government and federal agency obligations with market values of at least 100% of the amount of the repurchase agreement.
7. Commingled funds may be used if they are in compliance with the above guidelines.

#### Intermediate Term and Long-term pools

Investment of both pools shall be restricted to those that are allowable under the system's statement of objectives and policies for the endowment fund and that meet the overall objective of achieving consistent long-term growth of the pool with limited exposure to risk.

## 460 INTERNAL/EXTERNAL AUDIT/COMPLIANCE

### 462 INTERNAL AUDIT/COMPLIANCE

Section: 400 – Finance	Subject: 460 – Internal/External Audit and Compliance Operating Budgets
Policy: Identity Theft Prevention Program	Date Approved: April 22, 2009
Policy #: 462.11	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

### 462.11 IDENTITY THEFT PREVENTION PROGRAM

#### Definitions

- **Identify theft:** Fraud committed or attempted using the identifying information of another person without their authority.
- **Red flag:** A pattern, practice or specific activity that indicates the possible existence of identity theft.
- **Covered account:** An account that a creditor offers or maintains, primarily for personal, family, or household purposes that involves or is designed to permit multiple payments or transactions. Examples identified by CCSNH include, but are not limited to:
  - College covered accounts:
    - Refund of credit balances involving PLUS loans
    - Refund of credit balances, without PLUS loans
    - Deferral of tuition payments
    - Emergency loans
  - System Office covered accounts:
    - CCSNH Foundation
    - Technical education loan
  - Service provider covered accounts:
    - Tuition payment plans administered by ECSI, Nelnet, FACTS or other providers (refer to Oversight of Service Provider Arrangements)

## **Identification of Relevant Red Flags**

The Program considers the following risk factors in identifying relevant red flags for covered accounts:

1. The types of covered accounts as noted above;
2. The methods provided to open covered accounts -- acceptance to the college and enrollment in classes require the following information:
  - a. Registration form and/or application for admission with personal identifying information
  - b. Any other documents required by the college for course registration or admission to the college and/or academic program
3. The methods provided to access covered accounts:
  - a. Disbursements obtained in person require picture identification
  - b. Mailed disbursements may only be mailed to an address on file with the college
4. The college's previous history of identity theft.

## **Red Flags Identified by the Program:**

1. Documents provided for identification which appear to have been altered or forged
2. The photograph or physical description on the identification is not consistent with the appearance of the student, faculty or staff person presenting the identification
3. A request made from a non-college issued email account
4. A request to mail something to an address not listed on file
5. Notice from customers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with covered accounts.

## **Detection of Red Flags**

The program will detect red flags relevant to each type of covered account as follows:

1. Refund of a credit balance involving a PLUS loan – As directed by federal regulation (U.S. Department of Education) these balances are required to

be refunded in the parent's name and mailed to their address on file within the time period specified. Red flags:

- a. None as this is initiated by the college and federally mandated to be mailed to the parent's address.
2. Refund of credit balance, non PLUS loan –The refund check can only be mailed to an address on file with the college. Red flags:
  - a. Students who change addresses frequently
  - b. Colleges that accept change of addresses over the telephone or without proper ID
  - c. Colleges that accept address changes from a non-college email address
3. Deferment of tuition payment – request is made in person only and requires the student's signature. Red flag:
  - a. none.
4. Emergency loan - Requests must be made in person by presenting a picture ID or in writing from the student's college issued email account. The loan check can only be mailed to an address on file or picked up in person by showing picture ID. Red flag:
  - a. Picture ID not appearing to be authentic or not matching the appearance of the person presenting it
  - b. Request coming from a non CCSNH email account
5. Tuition payment plan – Students must contact an outside service provider and provide personally identifying information to them. Red flag:
  - a. none, see Oversight of Service Provider Arrangements below

### **Program Response**

This Program shall provide for appropriate responses to detected red flags to prevent and mitigate identity theft. The appropriate responses to the relevant red flags are as follows:

1. Deny access to the covered account until other information is available to eliminate the red flag
2. Contact the student, faculty or staff member to eliminate the red flag
3. Change any passwords, security codes or other security devices that permit access to a covered account
4. Notify law enforcement

5. Determine if no response is warranted under the particular circumstances.

### **Oversight of the Program**

Responsibility for developing, implementing and updating this program lies primarily with the System Finance Office (program administrators). The college chief financial officers, or CFOs, will be program coordinators for each campus. The program coordinators will work in collaboration with their campus staff and the CCSNH Finance Office to ensure the appropriate training of college staff on the program, for reviewing and appropriately responding to any staff reports regarding the detection of red flags, identifying steps for preventing and mitigating identity theft in particular circumstances and recommending periodic changes to the program.

### **Updating the Program**

This program will be periodically reviewed and updated by the appropriate CCSNH committees to reflect changes in risks to students and the soundness of the college from identity theft. At least once per year in October, the program administrators in collaboration with the college CFOs will consider the college's experiences with identity theft, changes in identity theft methods, changes in identity theft detection and prevention methods, changes in types of accounts the college maintains and changes in the college's business arrangements with other entities. After considering these factors, the program administrators will determine whether changes to the program, including the listing of red flags, are warranted. If warranted, the program administrators will update the program.

### **Staff Training**

College staff responsible for implementing the program shall be trained either by or under the direction of the program administrators in collaboration with the college CFOs in the detection of red flags, and the responsive steps to be taken when a red flag is detected.

### **Oversight of Service Provider Arrangements**

The college shall take steps to ensure that the activity of a service provider is conducted in accordance with reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft whenever the organization engages a service provider to perform an activity in connection with one or more covered accounts.

Current contracts with service providers:



1. CCSNH employs Educational Computing Services Inc. (ECSI), a Perkins Loan servicer for the purpose of billing and collection of Perkins and college loan payments. The only information that is shared with ECSI is information required to properly bill and collect loan payment as established by the Department of Education. This includes student name, address, telephone number, social security number, and date of birth. CCSNH will keep a copy on file of ECSI's compliance with FTC Red Flag Rules. CCSNH has also enrolled in ECSI's Red Flag Regulation Services which provides tagging and reporting of suspicious activity (multiple address changes, attempts to get information by calling in) on our accounts.
2. Online Payment Provider (to be determined). CCSNH's online payment provider is required to be Payment Card Industry Data Security Standard (PCI DSS) compliant. PCI DSS compliance consists of a set of industry security requirements adopted by the Payment Card Industry to ensure credit card transactions are secure.

Section: 400 – Finance	Subject: 460 – Internal/External Audit and Compliance Operating Budgets
Policy: Information Security for Credit Cards	Date Approved: December 15, 2009
Policy #: 462.12	Date of Last Amendment: February 19, 2019
Approved: Richard A. Gustafson, Chancellor	Effective Date: February 19, 2019

## **462.12 INFORMATION SECURITY FOR CREDIT CARDS**

In order to protect the information contained within credit card transactions and to comply with the Payment Card Industry Data Security Standard (PCI DSS) requirements and security assessment procedures the following policies are adopted.

### **1. Protection of cardholder data:**

Encrypted cardholder data shall not be transmitted across open, public networks. The following items shall not be stored:

- The contents of any track from the magnetic strip.
- The card-validation code or value used to verify card-not-present.
- The personal identification number (PIN or the encrypted PIN block).

The payment account number on both the customer and college receipt shall be masked.

When it is no longer needed for business or legal reasons, media shall be destroyed (cross-cut shredded, incinerated, or pulped so that cardholder data cannot be reconstructed.)

### **2. Access to cardholder data**

Cardholder data will be treated as follows:

- Cardholder data is classified as private.
- Cardholder data must be held in a locked drawer or locked closet.
- Cardholder data is restricted and only accessible on a need to know basis.
- Cardholder data must be tracked when moving from office or from the secured area via a logout/login sheet.

This policy will be reviewed and updated yearly and distributed to all interested parties.