

FINANCIAL MANAGEMENT

Policy 30100: Financial Accounting

1. Purpose

Financial accounting policies are intended to guide and support accounting activities and information reports within generally accepted accounting principles for public institutions of higher education. Internal or managerial reports shall provide management necessary information for financial planning, coordination, and control. External reports shall provide users with relevant information necessary for providers of financial support and oversight for the College and the Virginia Community College System.

2. Policy

- 2.1. As an agency of the Commonwealth of Virginia, the College is subject to policies and procedures of the Commonwealth of Virginia Department of Accounts. As a member of the Virginia Community College System, the College is subject to policies and procedures of the VCCS. Local policies shall be developed by or in coordination with the Vice President for Administrative Services.
- 2.2. The Business Manager shall be responsible for developing related procedures to carry out all policies.

3. Procedures

- 3.1. All policies necessary to support accounting activities shall be established in conformity with generally accepted accounting principles for higher education as set forth by the National Association of College and University Business Officers in the *College and University Business Administration* reference manual, the American Institute of Certified Public Accountants (AICPA) Industry Audit Guide *Audits of Colleges and Universities*, the Governmental Accounting Standards Board *Statements of Governmental Accounting Standard*, and the Financial Accounting Standards Board *Statements of Financial Accounting Standards*.
- 3.2. All policies and procedures shall be established to ensure compliance with policies, procedures, and other regulations of centralized state agencies such as the Department of Accounts, the Auditor of Public Accounts, the Department of Taxation, and the Office of the Attorney General.
- 3.3. In the absence of a local policy or procedure, written policies and procedures of the VCCS and the Department of Accounts shall be the policy of the College.
- 3.4. In the event of conflicting language in a local policy or procedure and language contained in a policy or procedure of the VCCS or the Department of Accounts, the policy or procedure of the VCCS and/or the Department of Accounts takes precedence.
- 3.5. All persons participating in the financial transactions of the College are responsible for complying with the established policies and procedures of the College, the Virginia Community College System, and the Commonwealth of Virginia.

4. Definitions

5. References

6. Point of Contact

Created by Richard L (Rick) Brehm, Vice President for Administrative Services

7. Approval and Revision Dates

Approved by President's Council on August 6, 2001.