

SECTION III: ACCOUNTING

FISCAL RULE NUMBER

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Rule 3-1 ACCOUNTING PRINCIPLES AND STANDARDS

The accounting principles of Fort Lewis College (“College”) shall be based on generally accepted accounting principles (GAAP) as adopted by the Governmental Accounting Standards Board (GASB) and applicable laws and regulations. When it is necessary to report compliance of financial transactions with statutory requirements, supplemental schedules may be used. Preparation of separate statutory based reports may also be necessary.

The Chief Financial Officer of the College and the College Controller shall annually certify to the State Controller as to the adequacy of its systems of internal accounting and administrative controls. The certification form, content and due date shall be determined by the State Controller.

Rule 3-2 INTERFACE WITH THE STATE FINANCIAL SYSTEM

The College shall continue to report to the State Controller regarding its financial transactions as required by law. To facilitate such reporting, the College shall maintain an electronic interface with the State financial system acceptable to the State Controller and the College.

The College is authorized by the State Controller as the custodian of the College’s portion of the financial database on the State financial system. The College shall not grant any person access to financial data contained on the State financial system for general perusal, other than College employees or representatives for College business purposes. Specific requests for query access to the financial database of the College’s financial system shall be in accordance with the Colorado Open Records Act.

Rule 3-3 DELEGATED AUTHORITY

As used herein, the Chief Executive Officer (the College President); the Chief Financial Officer (the Vice President for Finance and Administration); the Chief Procurement Officer (the Director of Purchasing); and the College Controller are responsible for the fiscal management of the College. These Rules may only be waived or amended upon approval of the Chief Financial Officer of the College under these Rules.

Rule 3-4 FINANCIAL TRANSACTIONS AND INTERNAL CONTROLS

The College shall implement internal accounting and administrative controls that reasonably ensure that financial transactions are accurate, reliable, and conform to these Rules prior to recording transactions on the College financial system and prior to making payment. The factors of risk, cost, and business requirements shall be considered when establishing these internal controls.

Rule 3-5 REPORTING OF FRAUD, THEFT OR EMBEZZLEMENT

The College is responsible for the design and implementation of programs and controls to prevent, deter and detect fraud. Any suspected fraudulent misstatements of the *Financial Statements* shall be reported to the College Controller and the Internal Auditor. Any suspected theft or embezzlement of College funds or assets shall be immediately reported to the College Controller in a timely manner. Also, the results of any investigation or follow-up including corrective measures implemented to prevent or reduce the likelihood of future occurrences must be reported in writing to the College Controller in a timely manner.

Rule 3-6 ACCOUNTABILITY AND CAPITALIZATION OF EQUIPMENT

The College is responsible for ensuring that all equipment acquired by the College is properly accounted for when acquired, inventoried and safeguarded throughout its useful life, and properly accounted for at the time of disposal. Items with a useful life of greater than one year purchased by the College shall be either capitalized or expensed in the fiscal year in which it was acquired, based on applicable capitalization thresholds.