



SINTE GLESKA UNIVERSITY

FINANCE POLICIES AND PROCEDURES

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**SINTE GLESKA UNIVERSITY
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SINTE GLESKA UNIVERSITY FINANCE POLICIES AND PROCEDURES

Introduction

Sinte Gleska University, through its governing body, the Sinte Gleska University Board of Regents, operates a number of programs and enterprises as a tribally-chartered higher education institution of the Rosebud Sioux Tribe. These activities are funded by State and Federal contracts and grants, and funds generated by the profits from business activities and revenue from Tribal assets. In order to assure that the funds of the University are being applied on a sound and prudent basis, the University has adopted these Financial Procedures per approval of the Sinte Gleska University Board of Regents.

As there are four distinct types of funds to be accounted for (Capital Projects fund, Special Revenue Funds, Permanent Funds and General Fund), and three areas of Financial Management (Budgeting, Record keeping and Reporting), this Manual is organized by area with each fund type given special treatment. Section I is the Budget; Section II is Accounting Procedures; and Section III is the Reporting Procedures.

General Policy Statement

Sinte Gleska University's Financial Management Policies & Procedures Manual has been developed to provide uniform guidelines for the college's financial management activities and to provide compliance with all applicable federal, state and local laws, regulations, and all provisions in any grant or contract to which SGU is a party, whether public or private. These Financial Management Policies, and any and all supplements thereto, are subject to the approval of the SGU Board of Regents and are subject to periodic review and approval in accordance with the authorizing resolution.

The procedures may be amended or deviated from only by formal action of the Sinte Gleska University Board of Regents.

Official Book

The Finance Department shall keep a copy of this Manual on file with all amendments. When an amendment is made a copy of the amendment will be provided to all departments.

ACCOUNTING POLICY

General

The accounting system of the Sinte Gleska University shall be a budget driven modified accrual system. To provide the flexibility to meet specific program requirements or changing circumstances, these procedures only list the requirements that must be adhered to. Most processes and the individual who will perform these procedures will be dictated by the size and complexity of the operation and by sound management. It is the policy of the Sinte Gleska University that all funds under its control will be accounted for by a centralized, budget driven, accrual system of accounting that shall be in conformance the Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (commonly called *Uniform Guidance*) which was officially implemented in December 2014 by the Council on Financial Assistance Reform. The Uniform Guidance – a **government-wide framework for grants management** – is an authoritative set of rules and requirements for Federal awards that synthesizes, consolidates, streamlines and supersedes eight existing OMB Circulars, including Circulars A-21, A-110 and A-133., and such rules as may be promulgated by the Sinte Gleska University Board of Regents.

Organization

The organization of the Finance Department will be a function of the types of activities being accounted for under the policy directives of the Sinte Gleska University Board of Regents. The President will be the supervisor of the CFO. The CFO will be supervisor of the Finance Department.

The CFO is responsible for maintaining a complete accounting system including all financial books, ledgers, records, and files to assure full accountability over college assets, commitments, liabilities, and college program revenue and expenditures.

The President and CFO shall be responsible for assuring compliance with the procedures contained in this manual and such policy directives that may be issued by the Sinte Gleska University Board of Regents. To facilitate their responsibilities, the President and CFO shall meet at least monthly to review reports, cash position, problem areas and items of importance to the University.

Accounting

As stated in the introduction to this manual, the beginning of the accounting process will be the adoption of an approved budget or plan of operation. No funds are to be obligated or disbursed without an approved budget or plan of operation.

Accounting System

The University uses an automated accounting software package (Jenzabar). The CFO shall be responsible for ensuring the integrity of the system. The IT Department shall take measures to assure that unauthorized persons are not able to access or tamper with the accounting system. The CFO, with the assistance of the IT Department, shall be responsible for assigning or revoking passwords.

INTERNAL CONTROLS

FINANCIAL MANAGEMENT

This policy will:

- Ensure and preserve the financial strength of the college through a centralized management of financial resources.
- Ensure electronic records are backed up regularly, desktop information backed up weekly. Passwords changed no later than every 90 days.
- Ensure the financial strength of the college by monitoring expenditures, budgets, and revenues collected and available cash balances.
- Provide information required to satisfy federal standards and regulations and to meet management information needs.
- Provide support and to make the financial reporting processes more useful for program directors and supervisors for compliance with all applicable federal, state, local, private and college policies, laws, regulations, and provisions in the grants and contracts agreements. The finance office will provide staff development training quarterly on compliance with federal guidelines.

The CFO is responsible for maintaining a complete accounting system including all financial books, ledgers, records, and files to assure full accountability over college assets, commitments, liabilities, and college program revenue and expenditures.

The CFO is responsible for reviewing all entries to the financial books and records and monitoring the recording of financial transactions to ensure complete, accurate, and timely recording and minimize possibilities for misuse or misappropriation of college assets.

The CFO is responsible for monitoring grant and contract compliance and federal reporting requirements (including tax reporting), and ensuring that the requirements are met on a timely basis. Accounting records will be maintained in a current status to facilitate reporting and eliminate possibilities for overdrawing cash or incurring penalty and interest charges.

The CFO is responsible for ensuring accounting documents are filed in a manner that permits reconciliation to financial records on a monthly basis and provides fully auditable support for entries for investment of college funds. Accurate accounting records will be maintained for all investments including information on yield expected, actual earnings, maturity dates, and restriction on use. Certificates and other evidence of ownership will be carefully safeguarded in the Finance Office.

The CFO is responsible for establishing all bank accounts and assuring that revenues are deposited in appropriate accounts and no account is overdrawn.

The Contract and Grant Manager and CFO are responsible for overseeing the monthly reconciliation of each bank account to maintain control over cash flow and expenditures.

The CFO is responsible for maintaining a standard chart of accounts to provide consistency in financial reporting.

The CFO is responsible for maintaining a separate accounting fund for any material grant or contract accounts in excess of \$5,000.

The CFO will have overall responsibility for grants and program budgets by setting guideline to be used by program directors for their contracts.

The CFO is responsible for submitting indirect cost proposals in a timely manner and in accordance with federal regulations.

The Contract and Grant Manager is responsible for overseeing that any expenditure in excess of approved budget will not be permitted, unless accompanied by an approved budget modification.

The Contract and Grant Manager is responsible for preparing and maintaining forecasts of revenue to be collected, for assuring that revenues are collected on a timely basis, and for taking necessary steps to curtail expenditures if actual revenues do not materialize as planned.

The Contract and Grant Manager and CFO are responsible for preparing and distributing financial reports to program directors, other department heads, the President, and the College Board of Regents. Financial reports will be prepared and distributed on a monthly basis.

The CFO is responsible for submitting a monthly financial report to the Board of Regents. The report will include a balance sheet, revenues and expenditures, investments, bank balances, delinquent receivables, loans and any other information requested.

The Contract and Grant Manager with the CFO are responsible for apprising department heads, supervisors, and program directors of budget control problems so that corrective action may be taken.

The CFO is responsible for overseeing the preparation and process of the annual audit.

The CFO is responsible for ensuring the annual audit is completed by an independent accounting firm in a timely manner and is submitted to the Federal Audit Clearinghouse in accordance with federal regulations.

The CFO is responsible for submitting an annual audit to the Board of Regents for review and acceptance.

The CFO is responsible for updating the financial management policies as necessary, distributing them to staff as required and ensuring that staff is properly trained in compliance with financial management policies.

Responsibility

- Contract and Grant Managers
- Accounts Payables Specialist
- Accounts Receivable Specialist -Travel
- Accounts Receivable Specialist - Student Accounts
- Payroll Specialist
- CFO
- President
- Board of Regents
- Auditors

SECTION I BUDGET PROCEDURES

Policy Statement

Sinte Gleska University's shall be budget driven. This means that no funds may be obligated or dispensed without there being an approved budget.

General

As there are five types of funds under the control of the University, this section provides procedures for the three most influential; (1) Special Revenue Funds (Contract/Grant Programs), (2) General Funds, and (3) Enterprises.

Indirect costs are also given special treatment. Where the term contract/grant program is used, it shall also mean special revenue.

There are two other important funds which have only limited activity as they are balance sheet items and only briefly covered: General Fixed Assets and Long Term Debt.

ANNUAL BUDGET PROCEDURES

A key component of this process is the budget administration and grant management policies and procedures. These procedures facilitate matching resources with those services critical to the college's mission. Implementation and utilization of a budgeting process enables management to:

- Provide fiscal oversight of SGU's Contracts & Grants;
- Ensure federal, state, or private funds are managed within the scope of each fund; • Ensure compliance with OMB Super Circulars and SGU policies; and
- Provide financial reporting to agencies and administration.

The process of budgeting for the institution begins four months in advance of the Fiscal Year (Beginning October 1). The annual budgeting timeline is as follows:

June 1st	The Finance Office distributes the budget templates.
July 1 st	Budgets are prepared using projected resource allocation and the essential functions of each department. Budgets are developed at the department level then forwarded to the respective V.P./Program Director for review.
	Completed budgets for each department are submitted to the Finance Office.

	Finance Department reviews and clarifies budgets. Finance staff seek clarification or justification, if necessary.
August	The Finance Department consolidates all department budgets into one institutional budget that is shared with the President and Vice Presidents for review and approval.
September	The approved consolidated budget is presented to the SGU Board of Regents. Once approved by the Board, the CFO prepares to enter the budgets into the accounting system.

Fiscal Year

The SGU fiscal year is 10/1-9/30. Contract/Grant Programs may have a different funding period.

Contract/Grant Programs

Contract/Grant Programs shall mean those programs that are funded by other than SGU funds, regardless of the funding source, and which contain restrictions in the contract/grant agreement. The following procedures shall apply to contract/grant programs:

1. The proposed budget shall be completed and submitted by the program director to the Finance Department and contain at a minimum:
 - Line item budget
 - Line item justification
 - Detail on how funds will be received, i.e. advance or cost reimbursement
 - Separate breakdown of any SGU contributions required (matching funds, in-kind, cost sharing)
 - Detail of coordination required with any other sub-awards, pass-through funds
 - Explanation of any special restrictions, such as travel costs
 - Explanation of how indirect costs will be paid including any limitations, or SGU funding of shortfalls required
 - Monthly expenditure and cash receipt projection
 - General Fund loan request, if necessary
 - Justification for equipment or other extraordinary costs
 - Detail of other pertinent information

2. The proposed budgets will be reviewed by the CFO and recommendations on the following will be made:
 - Justification of line item costs
 - Cash flow analysis, i.e. SGU funds required to finance operations
 - Investment plan for PL 93-638 programs
 - Availability of SGU funds to provide institutional contribution if required
 - Proper inclusion of indirect costs
 - How any shortfalls of indirect costs are to be financed

3. If changes are necessary, the CFO will attempt to resolve them with the program manager. If they are not resolved, the CFO will highlight the problems, attach recommendations, and forward to the President. A copy of the CFO's analysis will be made a part of the contract file.
4. The CFO will review the proposed budget for compliance with other SGU administrative requirements and make any adjustments necessary to bring the proposed budget into compliance. The CFO will submit and make recommendations for approval/disapproval to the President.
5. Upon receipt of an approved contract/grant, the original contract will be forwarded to the President for signature and returned to the Finance Department and made a part of the official file.
6. Budget revision procedures (§ 200.308 Revision of budget and program plans) - requires that the grantee promptly request prior approval from Federal agencies in instances where budget revisions would result in changes in the scope or objectives of the grant program and the need for additional funds. Grantees should read Subpart E of the Super Circular to determine what provisions might apply to grants administered by the Tribal Government.
 - Examples are:
 - Prior approval for certain costs
 - Restrictions contained in the grant award
 - Certain costs which are always allowable

*These procedures will apply to all contract/grant programs.

General Fund Programs

General Fund Programs will be all programs that are operated by institutional funds that are not independently managed enterprises and that are operated through the University's management system. These will include SGU contributions to contract/grant programs. The following procedures shall apply to General Fund programs:

1. By July 1st of each year, the CFO will provide to the Sinte Gleska University Board of Regents, a report of net income available for distribution from the previous fiscal year and an estimate of projected income available for the upcoming fiscal year.
2. From this projection, the Sinte Gleska University Board of Regents will establish a budget amount that will be available for General Fund programs for the next fiscal year. This amount will establish the limit within which all General Fund program budgets must fit.
3. The CFO will provide a listing of all mandatory outlays, such as debt payments, obligated funds (such as matching), shortfalls of indirect, per capita, etc. to the President by August 1st. This will be an estimated amount available for expenditures.
4. The program manager, who operates a program funded wholly or in part by SGU funds, will provide a budget request by July 31st of the next fiscal year. In addition to program narrative, the budget request will include:
 - A line item budget, including indirect costs
 - An estimate of program income
 - A projection of expenditures
 - A capital acquisition plan (If necessary)

5. The CFO will review each request for all required information. Incomplete requests will be returned to the originator.
6. The CFO will prepare a schedule that lists all program requests, including Sinte Gleska University Board of Regents commitments, such as debt retirement, shortfalls of indirect costs, per-capita, etc. The total will be compared to the General Fund approved limit. Any variance will be noted and attached.
7. The budget requests will be given to the President by August 1.
8. The President will review the budget request and make recommendations on how to bring the requests within the total budget limit. All budget modification requests will then be reviewed and an action of approval or disapproval made. When a comprehensive General Fund budget that fits within the authorized spending level is reached, the budgets as a group will be presented to the Sinte Gleska University Board of Regents no later than September 15th for approval.
9. The Sinte Gleska University Board of Regents will make any recommendations it may feel necessary and pass a resolution of adoption. If not passed, the budgets will be sent back to the CFO to come up with an acceptable revision.
10. Upon approval of the General Fund budget, a copy of each program budget along with a copy of the approving resolution will be forwarded to the Finance Department. The budget will be the directive to Finance for allowable expenditures.

Modifications of the budget may have to be made from time to time. These changes will be submitted by the Director of the Program for approval on a Budget Modification Form (appendix 2).

When a modification is approved by the Program Director, the modification will be approved and signed by the CFO. The budget modification will be entered into the Jenzabar system and filed accordingly.

Enterprises

The Finance Office is responsible for the accounting of all SGU Enterprises, including the Bookstore, Bison sales, Greenhouse, and any other revenue-generating sources operated by students and staff under the auspices of the University.

Enterprise means all business ventures under the control of the University. Enterprises require different treatment as they are for-profit ventures. The budget process for enterprises resembles an annual business plan. The enterprises are owned by the University and the Sinte Gleska University Board of Regents are trustees for the University, as such, the following procedures will apply to enterprises:

1. At least 45 days before start of the enterprise fiscal year (10/1/xx), each Program Director will prepare a budget and submit to the CFO. The budget will include:
 - A statement of goals and objectives for the year –
 - A pro forma income statement, which will include a monthly projection of revenues and expenditures.
 - A capital acquisition plan (if necessary)
2. The budget will be reviewed and compared by the CFO for variances from the prior year's actual results. Variances will be noted and attached. Costs that appear unreasonable will also be noted.

3. The President will present the proposed budget to the Sinte Gleska University Board of Regents, including recommendations.
4. The Sinte Gleska University Board of Regents will review the proposed budget and make recommendations that are necessary and approve or disapprove.
5. If approved, the enterprise will be authorized to operate within the budget subject to the management requirements in Section III.

Indirect Costs

Indirect Cost Proposals provide the basis for negotiation indirect cost rates, which provide the basis for funding our indirect costs. Our Indirect Cost Proposal is of the "Fixed Pre-Determined Rate" type. This means that the rate, once negotiated, is fixed i.e. not subject to adjustment, and that the rate, when negotiated, will be effective for 5 years.

These procedures will be done every 5th year, and because indirect cost proposals are due to the Inspector General on April 1, or six (6) months before the start of the next fiscal year, there are several steps required:

- Audited financial statement must be completed timely –
- Estimated budgets for special revenue programs
- Indirect cost pool budgets
- Sinte Gleska University Board of Regents approval

Because indirect cost proposal budgets are estimates that are reconciled to actual costs in a succeeding period, the budgets used will not yet have been approved. As soon as such information is available, the CFO shall compile budget information for all programs and activities scheduled for the coming fiscal year. This information has to be compiled by program or activity, with a breakdown by line item. The budget information must also include the indirect cost pool, with a similar line item breakdown to include individual positions and salaries as well as details on budgeted contractual services.

1. By March 1, the Contract/Grant program managers will prepare an estimated line item budget for each program they anticipate operating in the upcoming fiscal year. The estimate will note any restrictions on indirect costs or other special restrictions the program may have.
2. The CFO will prepare a list of those programs that cannot or will not pay indirect costs. This list will include a "Schedule of Collections and Shortfalls", from the year just ended.
3. For General Fund and Enterprises included in the Direct Cost Base, the approved budget for the current year will be used as projections unless there is information that a significant change will occur. The General Fund will have to be reviewed for any changes in the Indirect Cost Pool that will require changes to the General Fund.
4. The CFO will be responsible for collecting budget requests from each department in the indirect cost pool. The request will include:
 - A line item budget
 - A line item justification
 - A list of each position and salary
 - A justification of any change from current year
 - A brief description of each person's duties (Maximum 2 sentences relating to indirect activities)

The objective and planned improvements for each department in the indirect cost pool will be put into a narrative and attached.

*See Appendix for sample budget.

5. The CFO will analyze the budget for completeness and allowability of costs and compile the budgets into a package and present to the President. The President will review the budgets and present them to the Board of Regents.
6. The Sinte Gleska University Board of Regents will review the budgets for compliance with institutional goals and either recommend modifications, approve, or disapprove the budgets.
7. If disapproved, they will be sent back to the CFO and Program/Department Director for revision until an acceptable budget is developed.
8. If approved, a copy of the budgets and approval action will be given to the Finance Department. This will then become the approved budget for indirect cost programs for the coming year, subject to negotiation and approval from the Interior Business Center.
9. Immediately upon receiving the approved IDC rate from the Interior Business Center, the CFO will notify the program managers, BIA and IHS of the approved rate for their planning purposes.
10. Upon receipt of an approved rate from the Interior Business Center, a signed copy will be made a part of the Finance Department's official file.
11. Appropriate managers will be notified of any changes in the budgets as a result of negotiation with the Inspector General.

Finance Department

GOALS

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

- Provide a level of funding that supports quality education for the students.
- Utilize the Financial and Budgeting policies for budget development and management. Provide timely and appropriate information to all staff members who have fiscal management responsibilities.
- Establish efficient procedures for accounting purchasing, paying vendors and personnel, and all other areas of fiscal management.
- Assure that funds are expended for the purpose for which they were awarded.
- Provide a complete and accurate accounting to all funding agencies as to the expenditure of awarded funds.

Grant Management

It is the policy of SGU to provide administrative procedures and provide a financial system necessary to maintain compliance with federal, state, local, and private requirements regarding any contracts or grants awarded to the college.

All award documents are received by the President's office. The President will sign all grant award notifications and send signed awards to the finance department to be submitted to the agency. The CFO will assign a Contract and Grants Manager to service the grants and contracts. Finance Office will establish formal budgets within the accounting system based on the approved grant or contract from the funding agency.

Finance Office will establish formal budgets within the accounting system based on the approved grant or contract from the funding agency.

Upon receipt of an approved budget, the CFO or Grants Manager will:

- Assign a fund number
- Prepare a chart of accounts for the fund
- Enter the budget into the accounting system
- Set up a contract file

Where there is a SGU contribution, the institutional share will have a separate department number in the fund, and will be accounted for separately. In the case of multi-year programs, each year's fund allocation will be given a separate fund number and be accounted for as a distinct fund at least until final carryover amounts are verified.

A cash availability plan will be made for each program. If the program contains provisions for an advance the first draw down should be made as soon as allowable. If it is cost reimbursement the financing plan will be implemented. For 638 programs, investment plans, whenever feasible, should be initiated based upon the cash flow projection. Any excess cash will be invested in U.S. Government-backed securities.

An official contract file will be prepared and maintained in the Finance Department. The contract file will include:

- Copy of the award agreement, including any modifications
- Copy of the Sinte Gleska University Board of Regents action approving the budget
- Copy of all correspondence
- Schedule of cash requests
- Schedule of all cash receipts
- Copies of progress reports to agencies
- Copies of financial reports
- Schedule of equipment
- Copies of Finance-generated reports
- Certification of Compliance

All grants and contracts will be assigned a Grants Manager. This individual shall be responsible for maintaining the contract file.

All grants and contracts must follow Accounts Payable/Purchasing policies and must be within the approved contract budget.

All expenditures and costs charged to federally funded projects fall under the guidelines of allowable costs as stated in the OMB Super Circulars and any specific cost guidelines under the contract or grant CFR.

Expenditures on contracts and grants are monitored monthly.

Finance will generate financial reports monthly and the program director with their Grant Manager will review all financial reports for compliance with grant or contract requirements and will reconcile all discrepancies.

All required financial and program reports are prepared correctly and submitted on time.

Program directors are responsible for monitoring all expenditures made to grants and contracts under their supervision by establishing a mandatory cuff account. Cuff accounts may be reconciled with the Grant Manager.

Program directors will adhere to OMB Super Circulars to determine allowable and unallowable costs.

Program directors are responsible for the administration of the grant or contract and are responsible for compliance with the terms of the grant or contract.

Program directors will submit narrative progress reports to the funding agency, to their supervisor, the President, or to the Board of Regents if required.

Program and department budgets will be submitted to the Contract and Grants Manager annually.

Vice Presidents will submit annual budget estimates for grants or contracts as requested by the CFO to become part of the indirect cost proposal.

SGU Board of Regents shall be apprised of all grants and contracts and will receive financial reports including the status of all grants & contracts.

Responsibility:

- Program Director
- Department Head
- Contract and Grant Managers
- Vice Presidents
- CFO
- President

SECTION II ACCOUNTING PROCEDURES

Opening an Account

Upon receipt of an approved budget, the CFO or Grant Manager will:

- Assign a fund number and a chart of accounts that reflect the line item budget
- Enter the budget into the accounting system
- Upon assignment of a fund number and chart of accounts, forward a copy to the program manager
- Direct all future transactions relating to the fund to the assigned fund and account numbers

Each year's fund allocation will be assigned a unique fund number. The number will stay with that fund until the budget is expended or obligational authority is rescinded. For Special Revenue Programs, the balance at year-end will be added to the next year's appropriation after final carryover amounts have been determined. At that time a budget modification will be required. Care must be taken that carryover is recognized as prior year revenue and that prior year indirect carryover is recognized in the budget.

Where a Special Revenue program has a SGU share or a similar SGU program, the funds will not be commingled. The SGU share will be given its own department number and be accounted for separately in the Fund.

Recording an Expense

All obligations or disbursement of funds will be made in accordance with the procurement policies or the spending authority contained in the budget authorization adopted by the Sinte Gleska University Board of Regents.

The program director will be responsible for creating obligations and requesting payment for each program under his/her control with a purchase requisition. The program director will be responsible for adhering to procurement procedures and for determining the allowability of costs under the program budget. This responsibility will include making a determination that funds are available in the line item budget.

Before processing a transaction, the Contracts Manager will ascertain that the procurement policies or obligational authority have been followed. If he/she is not satisfied that procedures have been followed, the documents will be returned to the Program Director along with an explanation of the deficiency.

If it is determined that funds are not available, the request will be returned to the originator and the purchase request or obligation cancelled and a budget modification will need to be completed.

When a Purchase Order (P.O.) is issued, a copy will be forwarded to the Finance Department. The minimum information required on the P.O. will be:

- Vendor Name
- Item Description
- Accounting Cost Code
- Price
- Evidence of compliance with procurement procedures, or signature of the Procurement Officer

The Accounts Payable Clerk will be assigned to maintain a file of outstanding P.O.'s

An outstanding obligation will be one for which an invoice or payment request has not been received. By the 15th of each month, a list of outstanding obligations will be prepared by program by the Accounts Payable Clerk. This list will be summarized by outstanding P.O.:

- P. O. Number
- Date of issue
- Accounting data
- Dollar Amount
- Days Outstanding

Where an obligation has been outstanding for more than 90 days, the CFO will determine why. If the problem is that the item is no longer needed, the P. O. will be marked cancelled, put into a cancelled P. O. file, and the vendor notified to cease delivery. If the problem is a result of internal problems, such as a program holding invoices an attempt will be made to rectify the problem. (Additional procedures relating to outstanding obligations are contained under the heading "Closeout".)

Upon receipt of an invoice, purchasing or the program director (whoever has knowledge that the goods have been received), will prepare a disbursement voucher. The disbursement voucher with the following information shall be forwarded to Finance:

- Program name
- Invoice number
- Copy of purchase order
- Accounting Code
- Item description
- Dollar Amount
- Signed certification that the items have been received
- Invoice

Where a P. O. is not used or required, a disbursement voucher will be prepared, supporting documentation attached, signed, and forwarded to Finance.

An invoice is due in Finance within five (5) days of receipt.

The Finance Department will review the request for payment for appropriate documentation and authorization. If incomplete, the most expeditious method of correcting will be pursued. If not correct, the request will be rejected and referred to the CFO.

It is the SGU policy that payment of invoices will be made within thirty (30) days of receipt in Finance.

If the invoice or payment request will not be paid within thirty (30) days, then the transaction will be entered onto the general ledger as:

Debit to the Expense Account
Credit to Accounts Payable

If the transaction is to be paid within 30 days, then it will be entered into the system as a direct disbursement:

Debit to the Expense Account Credit
to Cash

If the transaction entry has been made to an account payable, upon disbursement:

Debit to Accounts Payable Credit
to Cash.

Prior to posting to the general ledger, the entry will be reviewed by a supervisor.

When an expenditure for a Special Revenue program contains equipment (as defined in the SGU Procurement Policy) a copy of the P. O., invoice and payment authorization will be given to the Grant Manager for inclusion in the contract file and such other disposition as may be required. An additional copy will be forward to the Property and Procurement Department.

The invoice, P. O. (if required), payment voucher, and code sheet will be made a part of the transaction file.

General Requirements for Cash

All cash must be deposited in federally-insured/collateralized bank accounts. Cash may then be transferred to qualifying investments.

The governing board shall annually authorize all bank accounts and check signers.

The banks shall be immediately notified of all changes of authorized check signers.

All personnel handling cash shall be bonded.

Cash Receipts

Incoming mail shall be opened and recorded on an incoming mail log. All cash/checks will be immediately receipted in duplicate by two or more persons having no access to cash receipts or accounts receivable records.

The listing of mail receipts shall be subsequently compared to cash receipts records and authenticated copies of deposit slips by an employee having no access to cash.

Checks shall be endorsed "for deposit only" by the individual(s) who opens the mail.

Pre-numbered receipts shall be prepared. Contributions, gifts, other remittance data and other supporting documentation will be attached.

Persons independent of the mail opening and receipting function, shall enter cash receipt in books of original entry.

Coding to Correct Fund Account

Any checks/cash, along with receipts, will be submitted to Grants Manager for coding to proper general ledger account.

Recording of Cash Receipts

All checks/cash receipts will be entered in to the accounting system to proper revenue account

Requirement for Deposits

Deposits are to be made in a timely manner to ensure proper posting of accounts and to ensure the safety of Sinte Gleska University funds.

Guideline for deposits:

Up to \$500.00	Last Business day of the week
\$500.00 to \$4,999.99	Within 2 Business Days
\$5,000.00 to \$49,999.99	Next Day
\$50,000.00 or more	Same Day
Any Single Item \$250,000.00 or more	Same Day/ Immediately

All deposits should be made on the last business day of each week.

All deposits should be made on the last day of each month, no matter the day of week, to ensure proper alignment of dates when posting to accounting system,

A sign-out sheet shall be maintained by the person responsible for preparing deposit slips which shall include spaces for initialing and dating the acceptance of the deposit and delivery verification of deposit. The person accepting the deposit for delivery to the bank shall initial and date the sign out sheet upon receipt of the deposit and likewise, initial and date the sign out sheet upon returning a deposit verification from the bank or verifying the deposit with the bank through a telephone call if it is a night deposit.

Cash and checks will be kept under lock and key, with limited access, from time of mail opening until time of bank deposit.

Currency receipts shall be reconciled to the totals of pre-numbered receipts or other devices.

The cashing of checks from currency receipts is strictly prohibited.

Mail Receipts

Mail shall follow the same cash receipts procedures listed above. The prepared deposit shall be delivered to the business office and the business office shall verify the amount of the deposit and sign for the receipt of the deposit.

The following procedures will also be followed:

- A. A lock bag will be used to pick up the mail. The person picking up the mail will be designated by the SGU Development Office.
- B. A lock box with a check out system will be used to control the post office key and lock bag key.
- C. A cleared table in a private area will be used to open the direct mail.
- D. Two people will open and view each envelope.
- E. At least one of the openers will be rotated on regular basis.
- F. Both persons opening the mail will sign that they agree and concur with the reported deposits.

Post-dated checks, disputed items, unidentified receipts, NSF checks, checks charged back by banks, and similar items shall be received and investigated by persons independent of preparation of deposits and posting of accounts receivable detail. NSF checks represent "negative" receipts and should be submitted a second time for possible collection. Upon second rejection, the payer shall be notified and the appropriate revenue or receivable accounts adjusted.

Internal Control at Sinte Gleska University on Cash Receipting

Receptionist- Maintain mail log along with logging Incoming checks, Money orders or Cash

Grants Managers- Codes all incoming checks to proper fund accounts

Student Billing- Code all incoming checks to proper Student Accounts

Registrar is responsible for receipting all incoming cash and checks for Student Transcripts.

Admin assistant- Enters all Cash and Checks to Jenzabar System and records all incoming Monies.

Finance manager- Bank Deposit

Segregation of Duties

Separating duties among different employees reduces the opportunity for any one person to commit fraud. It also creates double-check procedures to cut down on clerical errors. The employee who handles record keeping should not have physical custody of the asset. For example, the person responsible for bank reconciliations should not also receive payments from customers or prepare the bank deposits.

Credit Cards

Credit cards should be used for designated and approved expenditures.

Under no circumstances should a SGU credit card be used for personal transactions.

Violation of this policy will result in the immediate termination of the employee

Acquisition of a credit card, must have approval of Board of Regents.

Credit Card Procedure

For travel, a Travel Advance Form must be signed and approved by the department vice president and grant officer prior to making the arrangements.

For all other purchases, a Purchase Order with appropriate documentation (bids, quotes, etc) must be signed and approved Department Vice President and Grant Officer prior to making the arrangements. Transactions must be work related and at no time will personal or entertainment purchases be accepted

Once the monthly credit card statements are received, all expenditures will be verified by the original documents (receipts, invoices, statements) and identified by the Accounts Receivable Clerk/Travel Coordinator. The general ledger account(s) (xx-xxx-xxx-xxxx) to be charged for each line item listed on the statement should be charged accordingly. Once entered, it should be verified by the accounts payable clerk.

If there are discrepancies or errors, indicate this directly on the statement. Accounts Payable will withhold payment on disputed items. It is the responsibility of the business office to settle disputed charges with the credit card companies or employees.

The completed statement should be paid within 15 days of receiving the statement.

GAS CARD POLICY:

Gas cards will be used for fuel/oil for SGU vehicles only. All other services will be require a purchase order.

Supervisors/VP/Directors will be responsible for the issuance and safekeeping of gas cards. Each department receiving a gas card will also receive a log sheet for documentation on card use. ID numbers will be the vehicle license plate and each driver will be provided a code/PIN. Log sheets will be submitted to accounts payable at the end of each month to reconcile with gas card monthly statement.

Fixed Assets

When a General Fund expenditure is made for capitalized real or personal property, an entry will be made to the general fixed asset account and a ledger maintained for fixed assets.

A copy of the acquisition document, along with any additional required information, will be provided to the Property and Procurement Department for their use in maintaining inventory records. The item will be depreciated over its useful life.

A schedule of depreciation will be maintained for each item contained in the fixed asset account.

When the item is used by a Special Revenue or Indirect Fund, a determination will be made as to whether depreciation or a use charge should be made to the using fund.

When a using fund is charged, the General Fund entry will be:

Debit to Cash
Credit to Revenue-Rental

The using fund entry will be:

Debit to Rental Expense
Credit to Cash

An asset will not be removed from the fixed asset account unless properly disposed of in accordance with SGU Property Management Policies.

For Special Revenue programs, a schedule of accountable property will be maintained in accordance with SGU policies.

Debt Retirement

Debt retirement is important in that it must be considered in budgeting and cash management. As such, the University will budget and post General Fund debt payments to an expense account, Debt Retirement, throughout the year. At year end the portion paid for principal will be closed to the balance sheet and interest to interest expense before final statement presentation.

Travel

Sinte Gleska University will abide by Federal Travel regulations.

The purpose for this policy is to facilitate fair and equitable travel to all employees, Board Members, students, or anyone traveling at the expense of Sinte Gleska University.

To avoid hardship upon the traveler, it may be necessary to provide a cash advance. All travel shall conform to the policies established by the Sinte Gleska University Board of Regents either by separate document, by addendum to this Manual, or by special restrictions contained in the awarding document.

A Travel Authorization and Advance Request form for all travel shall include:

- Traveler's name
- Fund travel will be charged to
- Destination
- Purpose of travel
- Time of departure and return

- Estimate Cost of airfare, if being purchased by traveler
- Estimated mileage charge
- Estimated lodging costs (per maximum allowed by Federal Travel Guidelines)
- Estimated per diem (per maximum allowed by Federal Travel Guidelines)
- Other costs related to the trip

The Travel Authorization and Advance Request form must be submitted no less than 10 business days prior to departure date.

The Request for Travel will be approved by the traveler's Vice President and forwarded to Finance.

The Finance Manager will assign one of the Finance staff to be the Travel Monitor. As it is important that this function be performed at all times, it will be transferred between the Finance staff on a basis for cross training to avoid problems caused by absences or vacancies.

The Travel Monitor upon receipt of a travel advance request shall review the traveler's file for outstanding travel advances, prepare a Journal Entry Form, and enter into the accounting system as a debit to Advance Receivable and credit to Cash. The advance request will then be placed into an outstanding travel advance file. These payments will be processed in the regular accounts payable cycle.

If there is a problem such as no funds available or outstanding travel advances, the traveler will be immediately notified.

The Outstanding Travel Advance file will be maintained by the Travel Coordinator. At the end of each month, this report will be provided to the CFO. The report will list each traveler who has a travel advance outstanding for more than five (5) days after the return date. The Travel Coordinator will notify those travelers with outstanding advances that the travel must be vouchered.

If the traveler has been notified and still has travel advances outstanding for more than 30 days, the delinquency will be sent to the Sinte Gleska University Payroll Office for repayment.

If a traveler has outstanding travel advances that have not been vouchered, no further advances will be made to that person until such time as advances are liquidated.

The Traveler is responsible for their travel. There may be extenuating circumstances that you may have to cancel your travel, all cancellations must be done by the traveler; Air flights, Hotel Reservations, Vehicle Rentals, Registration and any funds that were disbursed to you for Per Diem must be returned to the Accounts Payable Office.

Upon completion of travel, the traveler will prepare a Travel Expense Report/ Trip Report Form (Yellow Envelope) with

- Actual start and ending travel date
- Actual airfare with supporting documentation
- Actual ground transportation
- Actual lodging expense with supporting documentation
- Actual mileage
- Actual per diem
- Actual other expense
- Signature that travel was completed
- Approval signature of supervisor
- Attached receipts for airfare, rental car, motel
- Explanation of other expense

The Travel Expense Report/ Envelope is due to Finance within five (5) days after completion of travel. Original receipts are required for all lodging, rental car expenses, taxis, tolls, parking charges and checked luggage fees. SGU reimburses meals at the Federal per diem rate so no receipts are required. The paperwork will be considered incomplete and will not be processed if receipts are not submitted with a travel report.

If the actual costs are less than the advance a statement on how the excess will be liquidated will be included, i.e. cash or check attached or payroll deduction.

The Travel Monitor will review the Travel Expense Report/Envelope for accuracy, required documentation, and approval signatures. If the voucher is complete, the Travel Coordinator will prepare a Journal Entry Form, have approved by the supervisor and enter into the general ledger.

If the advance is equal to actual cost, a non-cash entry will be made:

Debit to Travel Expense
Credit to Travel Advance Receivable

If the advance expense exceeds the advance, the actual expense will be:

Debit to Travel Advance Receivable for amount originally credited
Payment of cash made to the traveler for the balance

If the advance exceeds actual expense and the difference is not paid with the voucher:

Debit to Travel Expense for the actual expense
Credit to Travel Advance Receivable

The outstanding balance will be liquidated by payroll deduction and noted in the traveler's file.

Travel advances will be deducted from the employee's last paycheck if the employee goes on travel and terminates their employment before completing the required travel report and turning in receipts.

Credit Card Receipts will be turned in with the travel report form that was given to each traveler and a copy forwarded to business office for Credit Card Reconciliation.

Payroll

The University uses an automated payroll system. Because of the large number of employees and frequent payroll processing, it is important that entries are posted correctly. The following procedures will apply regardless of the payroll system utilized.

In general, compensation for personal services includes all remuneration, paid currently or accrued, for services rendered during a period of performance, including wages, salaries, and fringe benefits.

All employees will be compensated in accordance with the Wage and Salary Scale developed and periodically updated by Human Resources. Pay rate increases will be considered annually, determined by annual evaluations and budget.

The Board of Regents will establish the payroll disbursement dates.

Before a person is entered onto the payroll system the following documents must be provided to Finance:

- Copy of Personnel Action
- Employment date
- Status (permanent/temporary)
- Program(s) employed under
- Wage
- Benefit status (health, etc.)
- Leave accumulation rate
- W-4
- I-9
- Picture ID
- Copy of Social Security Card

No changes will be made to a person's payroll status without an approved Personnel Action.

Before a payroll check is issued there must be an approved timecard/timesheet. Minimum information required is:

- Employee name
- Distribution of time by program (Actual)
- Distribution and type of approved leave by program
- Distribution of excess hours (Comp/Overtime must have prior approval per Personnel Manual)
- Signature of employee
- Signature of immediate supervisor

Timesheets are due by 5 p.m. on Tuesday of the week of payroll processing.

Payroll will allow 7-minute grace period for incidentals, however supervisors will monitor for abuse. All staff have access to timeclocks. Handwritten times will not be paid. There will be exceptions to weather related or electrical events.

Part time employees are allowed administrative leave/holiday pay after one year of employment.*refer to Personnel Policies & Procedures

Upon receipt of an approved timesheet/timecard, the time will be entered in to the payroll system according to the distribution on the timesheet.

Payroll including payroll taxes will be posted to the General Ledger according to the time distribution.

Payroll deductions will be posted to the appropriate account. Note: no payroll deductions will be made without a signed Payroll Withholding Agreement.

Where there are payroll related costs, such as health insurance that are not included in the payroll run, these costs will be distributed as they become known.

If the accounting software will not distribute the costs automatically, a journal entry will be made distributing the costs based upon the proportion of time each person was allocated to the program(s) for the time period. A file will be maintained for each such distribution.

Payroll tax deposits will be made on or before the due date based upon current federal, state or Tribal regulations.

Sinte Gleska University allows payroll advances but only in emergency situations. The following conditions must apply:

1. Employees may receive no more than one (1) salary advance in one six (6) month period;
2. The amount is "not" to exceed \$500.00 which must be repaid in four (4) consecutive pay periods @ \$125.00 per pay period – no exceptions;
3. It is at the discretion of the employee's supervisor to approve and initiate the paperwork for salary advances with further approval from the Administrative VP and the Business Office;
4. Salary advances are a benefit for full-time employees. Part time employees are allowed up to \$200.00 after probationary period has ended. This does not apply to work study, interns and/or consultants.

STUDENT BILLING

Upon notification of financial aid scholarships, stipends, etc., the student billing department will have 10 business days to have checks mailed/disbursed.

Construction Protocol

Below are the recommended steps in a protocol for any construction project:

1. Board Approval. The undertaking of any project should have prior board approval and it should be documented through board meetings.
2. Request for Proposal (RFP). Any federal monies used in a construction project will require a RFP to allow for competitive bids. The RFP needs to provide the necessary information for a firm to bid competitively on a project. Therefore the RFP will need to be in specific language to identify certain requirements and timelines particular to the project and its funding source.

Since most media advertisements are costly in nature it is possible to cut some advertising cost on projects that may require complex and detailed information by providing supplemental information outlining those details upon request.

Must obtain three (3) bids through the sealed bid process. This means no faxes or emails will be accepted.

3. Bid Opening. A designated individual should be identified in the RFP who will receive and open the bids. These bid openings should be at a specific time and place. It will be necessary to have a sign in sheet to document who the bidders are and their bid amounts.
4. Bid Recommendation. After the bid opening there should be a recommendation from a selection committee or designated individuals as to what firm should be hired. This recommendation should have reasons for the selection especially if Indian preference is given. If Indian firms bid but are not selected then an evaluation and rating scale needs to be completed to indicate why such Indian firm(s) were not selected.

Indirect Costs

Every five years, the University will develop a cost allocation plan based upon the operational structure in place at the time. From negotiations with the Department of Interior, Office of Inspector General, will come an approved Indirect Cost Rate. Because of its unique nature this rate requires careful accounting treatment.

The Indirect Cost program should be treated as a distinct fund, assigned its own fund number, and be accounted for separately.

The Indirect Cost program will have an approved budget like all other programs. Normally the budget will include costs of a central service nature such as some Board of Regents expenses, Administration, Finance, Personnel, Property and Procurement, common space costs, central supplies, etc.

These costs will be accrued to the Indirect Cost Fund using the same accounting procedures as other programs.

At the program level as direct expenses are being incurred, indirect costs will also be simultaneously incurred.

If the accounting software cannot compute and assign these costs, then a manual journal entry must be prepared. For budgeting and quality control it is preferable to manually prepare these entries because of the problems caused by certain programs having limitations on the amount of indirect cost they pay.

This entry will be prepared at least monthly prior to distribution of reports to program managers. The entry will determine which costs of the operating program will be assessed indirect costs for the period. The costs will be multiplied by the Indirect Cost Rate to arrive at the indirect cost expense for the period.

The indirect cost amount is:

Debit to Indirect Cost Expense
Credit to either Accounts Payable Indirect or Cash

It is preferable that an actual cash transfer take place at this time. Failure to transfer cash will result in a distortion of individual program cash positions. It will show more cash on hand than actual. Those programs using Letter of Credit will be requesting less cash than required.

This type of entry will be made for each program in the Direct Cost Base.

A corresponding entry will be made to the Indirect Costs program:

Debit to Cash or Accounts Receivable
Credit to Indirect Cost Revenue

Prior to posting the entry, the entry will be approved by the CFO.

If a Special Revenue program cannot or will not pay indirect costs, then a charge to the General Fund account, Contribution to Programs-Shortfalls Indirect Costs, must be made. The expense will be posted to the General Fund, not the program. It is important that this entry be made so that the Sinte Gleska University Board of Regents is aware that charges are being made to the General Fund. Failure to do so results in a distortion of the budget position of the General Fund. This can easily lead to over expenditure.

Where an expense has been posted to the General Fund for Contribution to Programs-Shortfalls Indirect Costs, a file will be maintained for possible future reimbursement per P.L. 10-472.

Special care must be made in the handling of prior year over/under recoveries that are included in the rate calculation. Failure to properly handle these items can be costly to the University.

RECOGNITION OF INCOME

Special Revenue

Under a modified accrual basis of accounting, Special Revenue programs can be considered to have income when it is available for expenditure. For the purpose of control over assets and liabilities, it is the policy of the Sinte Gleska University that income will be recognized when earned.

Income will be considered earned when expenditures have been made in accordance with the contract/grant agreement and an invoice has been submitted to the funding agency. Prior to these two actions occurring, any receipts will be considered deferred revenue. As a practical matter receipts will be posted to Revenue and reconciled against expenditures at year end and any excess of receipts posted to Deferred Revenue.

When an advance of funds is received, it will be posted as:

Debit to Cash
Credit to Revenue.

Particular care must be taken at the beginning of the year for programs on a cost reimbursement or letter of credit that the first receipts are not for prior year receivables and incorrectly posted to current year income.

Upon opening a FY fund any Deferred Revenue will be reversed and recognized as current year revenue when carryover is permitted.

When an invoice is submitted to the funding agency if an advance has been received:

Debit to Deferred Revenue Credit
to Revenue.

Where an advance has not been received:

Debit to Grants Receivable.
Credit to Revenue

These entries will be to the Fund, not a clearing account.

General Fund

Most income of the General Fund will come from tuition and fees, interest, or institutional fund raising.

When cash is received from an enterprise and is not expected to be repaid, the entry will be:

Debit to Cash
Credit to Operating Transfers In or to the Enterprise Investment Account

If the funds received are to be repaid, the entry will be:

Debit to Cash
Credit to Accounts Payable - Enterprise

When a profit distribution is made, the enterprise will post:

Debit to Operating Transfers Out
Credit to Cash

If the cash is to be repaid, post:

Debit to Receivable - General Fund
Credit to Cash

When the General Fund receives cash for such items as building rent, etc., the entry will be:

Debit to Cash
Credit to Revenue-Item.

Federal Grant Drawdowns

Under no circumstance shall the SGU Finance Office draw down federal grants cash prior to the date of disbursement except as follows with respect to payroll.

Monthly drawdowns of federal grants cash shall take place by the 10th day the following month. The amount of cash to be drawn down shall be:

- 1) the amount to be disbursed the next day for salary and salary-related benefits expense charged to the federal grant plus
- 2) Sum of other non-payroll disbursements charged to the federal grant since the last payday draw down, if any.

The amount for 1) shall be determined by reviewing payroll edit reports or final payroll distribution report, if available, for the next day's payroll.

The amount for 2) shall be determined following review of general ledger accounts for the federal grant in conjunction with relevant check registers to assure that actual disbursement of any charges to federal grants has occurred.

When large non-payroll disbursement, typical in construction grants but possible with other grants, are made between payroll dates and grant cash is required to cover the disbursement before the next regularly scheduled bi-weekly draw down date, a drawdown of cash sufficient to cover the disbursement may be done on the day of disbursement. The amount drawn down in this circumstance shall reduce the amount as determined in 2) on the next regularly scheduled bi-weekly draw.

Inter-Fund Transfers

There are two types of inter-fund transfers that will occur on a frequent basis:

1. Operating Advances
2. Contribution to Programs

Operating advances may be between programs or between the General Fund and operating programs. Operating advances will occur when a program does not have a provision for advance (cost reimbursement), or when advance requests are not prepared or paid in a timely manner. For example, most BIA/IHS programs will require an advance from the General Fund at the start of the U.S. Government's fiscal year. These advances are expected to be repaid.

When an operating advance is made, the fund making the advance will:

Debit Due from Other Fund-Program Credit
Cash

The Fund receiving the advance will:

Debit Cash
Credit Due to Other Funds-Program.

When the advance is repaid the entries will be reversed.

The document authorizing the advance will note when the advance is to be repaid. Any advance must be approved by the CFO.

Contributions to programs occur when the General Fund pays the expenses of an operating program without expectation of repayment. The most frequent occurrence of this is when the General Fund pays the indirect costs of a program that cannot or will not pay its share. Contributions to programs differ from matching in that matching will be accounted for as a distinct department or fund.

When a contribution to a program is made, the entry will be:

Debit to Contribution to Programs-Program Credit
to Cash or Accounts Payable.

Adjusting Journal Entries

From time to time due to the inability of accounting software to compute an entry, such as indirect costs or a coding error, it may be necessary to prepare an adjusting journal entry. For the purpose of maintaining a clear audit trail and facilitating Special Revenue program reports, it is important that these entries be fully documented and easily traceable.

When an adjusting journal entry is made, the reason for and the data used to make the entry will be clearly documented and attached to the coding sheet. Each Journal entry approval form will be signed or initiated by the CFO.

Each fiscal year's adjusting journal entries will be numbered sequentially starting with Number 1. A log will be kept listing all adjusting journal entries by number, date, and program. Adjusting entries can only be entered by authorized SGU Finance Department personnel upon approval of the CFO. All posting of entries must be approved by the CFO.

When an adjusting journal entry is made to a Special Revenue program after financial reports have been issued and the adjustment is for prior periods, a copy of the entry will be given to the Grant Manager for possible correction of reports to the funding agency.

Contract Administration

Special Revenue programs have a number of restrictions and limitations as well as specific reporting requirements that require some additional administration.

Within the Finance Department there will be a position(s) designated as Grants Manager.

The Grants Manager will be responsible for maintaining the official contract files. While other program files may exist, there will be maintained in the Finance Department an official contract file. This file will contain, at a minimum:

- Signed original copy of contract/grant agreement and any modification
- Copy of Board of Regents approved budget(s)
- Copy of all correspondence
- Schedule of cash draw down requests
- Schedule of cash receipts
- Copies of required progress reports
- Copies of invoices or other financial information transmitted to the funding agency
- Documentation of matching, cash or in kind, if required
- Schedule of all equipment purchased by the fund
- Finance system generated monthly expenditure reports

A copy of any documentation regarding a Special Revenue program will be provided to the Grant Manager. The Grant Manager will be responsible for preparing cash requests for all Special Revenue programs. He/she shall also be responsible for reviewing the cash position of the Special Revenue programs to assure that an adequate supply of cash is on hand.

The Grant Manager will be responsible for preparing invoices or financial reports to the funding agencies as described in Section III.

The Grant Manager will maintain a schedule of required progress reports by due date for each Special Revenue program. Ten days prior to a report due date, the Grant Manager will notify the Program Director for making the report that the report is due.

Any problems with making reports will be referred to the CFO.

Documentation of matching, cash or in kind payments, is very important as many agencies and auditors are requesting documentation that matching has been provided. As SGU accounts for cash matching as a distinct fund or department, documentation is a matter of including the Contract File and reporting. Where the match is in kind, adequate documentation becomes a matter of establishing reasonableness of value and proof that it was actually provided. For personal services, this becomes a matter of establishing value and actual receipt. An affidavit by the person providing the services, acknowledged by the program director should suffice. For other items, documentation that the program actually used the item, signed by the program director, needs to be included in the contract file.

Quarterly, the files will be reviewed by the CFO to assure that all requirements are being met.

Retention of Financial Records

The official contract file shall be the official record for each contract/grant program. In addition to the above information, any significant event relating to the contract/grant shall be included in the file.

At the end of each contract/grant year a copy of the final Statement of Revenues and Expenditures and the final balance sheet will be made a part of the file.

The official contract file shall be retained in an easily accessible location for:

1. Three years, or
2. Three years from date of resolution of questioned costs from the audit report for the year covered, whichever occurs last.

After the three-year period referred to above, the official contract file may be stored off-site for an additional two (2) years. After the five year period, the file may be disposed of or retained as the University desires.

General Fund programs will maintain financial records for at least three (3) years after the audit report for the year is issued or questioned costs resolved. They may then be stored off-site as a permanent archival record.

Payroll records must be retained for 3 years after being audited. Payroll reports from software system will be retained for 7 years.

Where a SGU fund has been expended as a required match for a Special Revenue fund, a copy of the expenditure report will be made a part of the official contract file of that program.

Records for enterprises will be retained for as long as the enterprise is operating or as required under appropriate regulatory requirements. If the enterprise ceases operation, the finance records will be maintained in the Finance Department and retained until all issues are settled and it is determined by Board of Regents action that the records are no longer needed.

Close-out

Close-out will occur at the end of the University's fiscal year or at the end of a contract/grant.

Close-out requires determining the revenues and expenditures at a point in time so as to provide an accurate report of operations for the period just ended. At the end of the University's fiscal year:

1. Ascertain that all expenses related to the year have been recognized for each fund.
2. Payroll and related costs will probably have a portion of the pay period that overlaps the fiscal year. That portion that is a cost of the year just ended will have to be accrued and posted as an expense and accrued liability.
3. Determine health insurance and other expenses and post to the correct account period.
4. Review the outstanding obligations file and determine which items should be entered as an expense and payable for the year just ended. Determine which items should be cancelled.
5. Review the outstanding travel advance file and voucher outstanding travel and post to travel expense.
6. Reconcile the bank account and review any outstanding checks for stale dates. If a check is stale dated and no new check will be issued, void the check and credit the expense.
7. Analyze other expenses, such as rent, indirect costs, interest, etc., and record the accrued portion as an expense and accrued payable.
8. Review and recognized revenue.
 - a. For the Enterprise, post all income earned for the period. Post invoices that have been sent to the enterprise to revenue receivable.
 - b. For the General Fund, post items such as building and equipment rent to income and receivable for the accrued amount.
 - c. For the Indirect Costs Fund, review to assure that income and receivables from the funds have been recognized and posted.
9. Analyze Special Revenue Programs to ensure that any year end adjusting entries are included in the final report to the funding agency. The reports must be compared to the final general ledger and any differences corrected and an amended report sent to the funding agency. All final reports will bear a stamp "Subject to Audit Adjustment".
10. If the Special Revenue program's reporting period is different than the University's fiscal year, accrue income. The amount of expenditures not yet reported to the funding agency will be posted to income and Receivable - Agency. Place a note in the contract file that the next invoice when posted will have both a receivable and a revenue entry.
11. Review beginning Accounts Receivable and determine whether the receivable can be collected, must be charged off, or was incorrectly posted to Income when collected. If incorrectly posted an adjusting journal entry must be made.
12. Review Accounts Payable to determine whether payments were correctly posted to expense and not paid.

13. For Special Revenue programs, if the payable was a result of Deferred Revenue, determine if there is a repayment requirement or if the amount can be charged against legitimate current year's expenses. If repayment is required, a check should be cut and the liability liquidated.

Special Revenue Program Close-out

Special Revenue programs that have a program year different than the University's fiscal year will have another close-out. This close-out is important for programs that have a specific ending date. When the program has a specific ending date a final report to the funding agency will be due, usually 45 days after program ends or as agreement states.

1. When a program has ended, the program will be closed using the close-out procedures listed above. Special care should be taken to ensure that the final invoice agrees with the general ledger and that all receivables have been collected.
2. If there is a Deferred Revenue balance, contact the funding agency to see how it will be handled. If requested, a check for the balance will be included with the final invoice.
3. Bureau of Indian Affairs under authority of P.L. 93- 638, as amended by P.L. 100-472 and 103-413, have a provision for carry-over funding to succeeding fiscal years. This allows for funding for preceding fiscal year, if not expended, to be expended in following fiscal year. Each year's funding is assigned a unique fund number which allows the fund to be tracked into the succeeding year. When the fund is expended in the succeeding year, it will be closed or, when final audited carryover figures are available, rolled into the succeeding year's fund. The University will use the "first in/first out rule so that carryover can be considered used in the next succeeding fiscal year. For ongoing programs that have carry forward authority, such as P.L. 93-638, it is very important that the actual carry forward be verified.
4. Carryover amounts are simply Deferred Revenue + Letter of Credit (LOC) balance. To obtain the LOC balance, particularly in the case of 638 programs where funding may come down as a series of modifications, mods must be totaled. LOC balance will equal the sum of Mods - (Expenditures + Cash). If the LOC balance shown on the agency records is different, then a review must be made to determine the cause. The most common causes for differences are:
 - a. Failure of the agency to enter the Mod onto the LOC
 - b. Incorrect posting by Finance
 - c. Failure of the University to modify its final year-end SF-269 to reflect the actual balance shown in the audit report
 - d. Failure to enter Mods onto the fund's budgetIn actual practice it may be necessary to repeat the process for a number of prior fiscal years in order to determine the actual carry forward balance. This may be the result of a combination of the above causes.
5. For the Indirect Fund, in the event of an **actual** over recovery, the balance is not put into Deferred Revenue or Fund Balance. It is a long term liability and must be treated as such.
6. An under recovery is not an actual receivable because of shortfalls. It is a receivable of an undetermined amount and doubtful collection. This needs to be footnoted in our financial statements and an effort made to collect as much as possible in the next fiscal year. The

under recovery will be closed as an expense to the General Fund account, Shortfalls of Indirect-Program.

7. As Special Revenue funds will in many cases overlap several SGU fiscal years, it is important that the accruals made during close-out of the University's fiscal year are recognized and liquidated at program close-out.

Audit

The Sinte Gleska University shall have an annual audit performed by a certified public accounting firm. The audit shall be conducted in compliance with *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

The University will advertise for and select an audit firm every three (3) years. The audit engagement shall be for three (3) years with an option to renew for one (1) year at the University's discretion. The Request for Proposal shall follow the guidelines contained in How to Avoid a Substandard Audit, published by the National Inter-governmental Auditors Forum.

As this is the University's audit within the parameters of The Uniform Guidance, the audit engagement shall specify at least the following requirements. Failure of a firm to respond shall result in that firm being disqualified from consideration.

1. The audit report shall be due within nine (9) months of the end of the University's fiscal year (9/30).
2. The enterprises are to be audited under the same engagement and audit report.
3. Supplemental schedules, Statement of Current Condition, and Schedule of Revenues and Expenditures, and a Balance Sheet by fund are to be included and presented under GASB 34..
4. Other conditions the Sinte Gleska University Board of Regents shall deem appropriate for the year under review.

The CFO will work with the audit firm so that questions such as time distribution, attorney costs, indirect cost distributions, adjusting entries, building costs, missing documentation, fixed assets and other problem areas are addressed before they become part of the final report. It is the policy of the University to correct potential findings before they become part of the final audit report.

Upon receipt of the audit report, the CFO shall prepare an analysis of all findings and recommendations along with corrective actions being taken and present to the Sinte Gleska University Board of Regents.

Any required response to questioned costs will be immediately prepared.

SECTION III REPORTING AND MANAGEMENT

General

Reporting is the end product of the accounting process. It is also the most important step in the accounting process. Reports are intended to give managers the information they need to apply resources for the maximum benefit of the Sinte Gleska University members. Good financial reports allow management to detect problems and take corrective actions before the problem becomes major. For the purposes of providing valuable information to managers, there are a number of reports that will be provided.

CONTRACT/GRANT PROGRAMS Budget Status Reports

On or before the 15th of each month the Finance Department will produce a Statement of Revenues, Expenditures and Encumbrances as generated by the accounting software for each program for the month just ended. A copy of this report will be given to the appropriate program director and the President.

Prior to distribution the CFO will make an analysis of each program. This analysis will include a comparison to the monthly budget projections. Any variances will be noted and included along with any other potential problems and recommended solutions in a brief report to the program manager and the President.

The program manager will provide to the President a report of corrective actions taken by the 30th of the month.

Trial Balance

A trial balance will be prepared for each program. A copy will be given to the President. A copy will be given to the Program Director, upon request. The trial balance will include a comparison to the prior month. Before distribution, the CFO will do an analysis of each program's trial balance. The analysis will pay special attention to cash, revenue, expenditures, deferred revenue, receivables and payables.

Cash

If cash has a significant balance, either debit or credit, an explanation along with a corrective plan will be prepared. A large debit balance could be indicative of either excessive draw downs or program inactivity. A credit balance would be indicative of failure to draw down or payment problems by the funding agency. In either case, corrective action must be taken.

Revenue

Revenue will be compared to expenditures. While an excess of expenditures over revenue is normal during the time between expenditures and the preparation of invoices to the funding agency, the excess needs to be noted and measures taken to reduce the deficit. There should be a zero difference on the trial balance. A large excess of expenditures would indicate that invoices are not being prepared and corrective action taken.

Deferred Revenue

A large balance would indicate that either excessive draw downs are being made or that invoices are not being prepared. This corresponds to the cash account. If a large positive cash balance exists, along with a positive deferred revenue balance, it would indicate excessive draw downs or

lack of program activity. A low or negative cash balance and a significant positive deferred revenue balance would indicate that invoices are not being prepared or are not being entered onto the system. A negative deferred revenue balance could be indicative of a posting error.

If deferred revenue is not recognized until year end then revenue should be compared to expenditures. The same criteria will apply. An excess of revenue over expenditures would indicate excessive draw downs or lack of program activity. An excess of expenditures over revenue would indicate failure to submit invoices or make draw downs. Some agencies may contribute to this problem by being slow in making payments. If this is the cause there are laws and Treasury rules to remedy the problem. Any excess of expenditures over revenue needs to be carefully managed. This is especially true of pass through funds. Failure to timely pay invoices may indicate that the primary grantee is either diverting funds for other purposes or an instance of fraud.

Receivables

A large positive balance combined with a small or negative cash balance would indicate a problem with the funding agency paying invoices. (see below) A low receivable balance with a corresponding excess of expenditures over revenue would indicate that invoices are not being prepared. In either case corrective action is required. Any due from other funds will be reviewed and explained.

Payables

Payables will be reviewed for balance and aging. Of particular emphasis will be any payables as a result of borrowing to finance program operations or any payable arising out of due to the indirect cost fund. A plan and time when these payables will be liquidated will be prepared. For programs with a definite ending date where deferred revenue has been adjusted to a payable, the payable should be liquidated not later than the end of the current fiscal year.

The CFO will prepare a report of any significant variations in these or other accounts, along with recommended corrective actions. The President will review the report and make a determination on how corrective action can be accomplished.

Consolidated Program Report

The CFO will prepare a monthly combined summary for the Sinte Gleska University Board of Regents. This statement will be a summary of each contract/grant program. The report will follow the following format:

<u>Program</u>	<u>Annual Budget</u>	<u>Expended This Month</u>	<u>Expended Year to Date</u>	<u>Budget Balance</u>	<u>% Expended</u>
#1					
#2					
#3					
<u>etc.</u>					

The President will prepare a brief summary of problem areas and progress on corrective actions for the Sinte Gleska University Board of Regents. If additional information is required, it can be provided from the detailed general ledger.

Cash Report

At least quarterly the CFO will prepare a Statement of Changes in Cash Balance. The report will be reviewed for either positive or negative cash balances. If a balance exists that is a material deviation from normal, an explanation of the deviation and a corrective plan and timeframe for correction will be prepared. For purposes of defining material deviation a program that is on cash advance would normally have 1 to 7 days cash on hand. Cost reimbursement programs invoiced on a monthly basis would have a negative cash balance of 1 to 2 months. A financing plan would have already been made for the cost reimbursement programs.

The total cash balance will be reviewed. If more than nine (9) days cash is on hand a plan will be prepared on how excessive drawdowns will be corrected. If there is less than five (5) days cash on hand then a plan on how to increase the receipt of cash will be made. The days differ from Treasury guidelines because of the long timeframe from request to receipt for draw downs and because some major programs advance on a quarterly or monthly basis.

This report will be given to the President. The President will prepare a directive to appropriate staff on how and when to correct any problems.

Invoices

The contract/grant programs each have a specific date when financial reports are due to the funding agency. The Grant Manager will be responsible for preparing and submitting these reports before the due date after approval by the CFO.

The invoice will be prepared from the amount reported on the general ledger. A report that does not agree with the general ledger will not be submitted until all adjustments are made. In the event of subsequent adjusting entries the adjustment will be reflected on the next invoice except for the final report which must be amended. The final report will be stamped with "Subject to Audit Adjustment". At all times the year to date invoice total will agree with the year to date total on the general ledger.

A copy of the invoice will be made a part of the contract file along with the financial reports for the period covered.

The CFO will prepare a monthly report showing the invoices due by date for the previous month and the date submitted. The report will contain a certification that the invoices agree with the financial records. Any problem area or late submission will be explained and the corrective action being taken noted. This report will be submitted to the President for review and action.

There may be other reports that are required by managers. These reports will be prepared as needed.

General Fund

Statement of Revenue and Expenditures

On or before the 15th of each month, the CFO will prepare a Statement of Revenues and Expenditures (Active grants report) for each General Fund program. See appendix for example of report. S

Prior to distribution, the CFO will prepare a brief analysis and report. A comparison of the monthly revenues and expenditures to budget will be made. Any variation will be explained and, if necessary, a recommendation on corrective action will be made. Because the income flow of the General Fund is irregular, it is important that the projection of revenue to budget be included and any variance explained.

This report will be distributed to the applicable program managers and the President.

The CFO will present the report to the Sinte Gleska University Board of Regents.

Sources and Uses of Cash

A sources and uses of cash report will be prepared quarterly by the CFO. This report will be prepared in a format similar to:

Sources of Cash

Cash on hand beginning of period	xxxxx	
Borrowing	xxxxx	
Rents	xxxxx	
Etc.	<u>xxxxx</u>	
Total Sources		xxxxx

Uses of Cash

Loans to other funds	xxxxx	
Contributions to programs	xxxxx	
Long term debt retirements	xxxxx	
Capital acquisition	xxxxx	
Operating expenses	xxxxx	
Etc. <u>xxxxx</u> Total Uses of Cash <u>xxxxx</u>		
Cash Balance End of Period		<u>xxxxx</u>

This report is designed to provide the President and Sinte Gleska University Board of Regents information where the fund stands. For example, if cash on hand is a negative, an analysis of cash flow would have to be made and a determination made as to whether or not a loan is required.

This report will be distributed to the President for review and presentation to the Sinte Gleska University Board of Regents. The Board of Regents will determine if action is required.

Indirect Costs

Indirect Costs are usually treated as a component of the General Fund. As such, reports for indirect costs will be the same as for other General Fund programs. Because of the nature of indirect costs they require closer review. Revenue needs to be compared to all charges to the programs in the Direct Cost Base. If the amounts do not agree, a reconciliation will be prepared. Receivables from programs require analysis. Any receivable will require an explanation of when it will be collected.

Revenue to expenditures will require analysis. If expenditures exceed revenues, then an advance from the General Fund will be required. A repayment plan for this advance will be required. It is important that the budget year to date and expenditures year to date are compared and deviations reported along with actions to be taken. If revenue is below projections, the whole operation of the Direct Cost Base must be analyzed as to why revenue is not being generated.

As any negative cash balances will have to be advanced from the General Fund cash, it is particularly important that negatives be immediately reviewed and correction action taken.

If revenues exceed expenditures (over-recovery) at year end, the long-term liability needs to be established and the cash invested or loaned to be available at the beginning of the second succeeding fiscal year. If expenditures exceed revenue (under-recovery), the general Fund will have to advance the shortfall. It is important that this shortfall be tracked and be repaid as soon as it comes available for collection.

Other Reports

Other reports may be prepared by management that encompass any and all institutional fiscal information for a stated accounting period. These will be provided on an as needed basis.

Enterprises

As the University enjoys the benefits of its enterprise profits, it also assumes the liability for losses or mismanagement. For the protection of Sinte Gleska University a limited number of reports will be required to be submitted to the Sinte Gleska University Board of Regents:

- Monthly Profit and Loss Statement
- Monthly Trial Balance
- Monthly Sources and Uses of Cash Report

These reports will be analyzed by the CFO and President. They will note any deviation from the approved plan of operations, potential problem areas, such as low or negative cash, excessive short-term debt, fixed asset purchases, etc.) They will prepare a report for submission to the Sinte Gleska University Board of Regents.

8.0 Procurement

These policies and procedures apply to all procurements of goods, services, and real estate to be paid from SGU funds obtained from any source except for those purchases described in section 8.8 (Exemptions) of this chapter. These policies are intended to comply with Federal and State rules and regulations applicable to funds received and spent by SGU. Under these policies and procedures, written justifications for all purchases are required.

All SGU faculty and staff who requisition or procure materials, supplies, equipment or any other product or service shall be subject to these provisions.

Every effort will be made by the Finance Department, Property and Supply departments to respond promptly, within the guidelines of these policies and procedures, to the needs of the faculty and staff.

*The intended meanings of terms used in this chapter are as follows:

8.0.1 Definitions

Bid: a firm offer from a vendor to provide goods and/or services meeting specific requirements in response to a request for quotation or proposal issued by the University.

Bidder: an individual or firm that submits a bid in response to a request from SGU.

Blanket purchase order: a purchase order issued to a vendor to furnish a product over a specified period of time at specified prices.

Bribe: anything of value given to induce someone to do something against his or her wishes.

Competitive bidding: The total process of requesting multiple vendors to provide price quotations on an item or service.

Computer related items: a broad category including hard drives, cables, monitors, software, scanners, printers, servers, networks, etc.

Contracts: A contract is a legally binding agreement between two parties that defines and governs the rights and duties of the parties involved. A contract is legally enforceable because it meets the requirements and approval of law.

Consultant Agreement: A consultant is a professional/ specialist who provides advice, training, and opinions to individuals and businesses in their area of expertise

Contractor: an individual (independent contractor) or firm who signs a contract with SGU to provide goods or services to SGU. Prior to doing business with any Contractor the University shall check the Contractors against the Excluded Parties List System (www.epls.gov) to ensure the Contractor is not debarred or suspended from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits. Must be in compliance with Rosebud Sioux Tribe TECRO policies

Emergency procurement: a situation that endangers lives, property or the continuation of vital programs and that requires immediate, on-the-spot procurement of equipment, materials, supplies or services on order to mitigate.

Equipment: tangible personal property having a useful life of greater than one year and an acquisition cost greater than \$5000.

Exempt (small) purchase: under \$100 and vendor is local and does not require a purchase order.

Gratuity: a gift of money or an amount given over the amount which is due for a service rendered. Also known as a tip.

Independent Contractor; an individual or organization contracted to perform a particular service and/or produce an agreed upon outcome and SGU does not specifically control or direct the manner in which the job is done. Prior to doing business with any Contractor the University shall check the Contractor against the Excluded Parties List System (www.epls.gov) to ensure the Contractor is not debarred or suspended from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits.

Kickback; any money, fee, credit, commission, gift, or gratuity offered by a vendor to an SGU employee as an inducement to do business with that vendor or as a reward for having conducted business with the vendor.

MIS: Management Information Systems, a department under the Vice-President of Academic Affairs which is responsible for maintaining SGU systems and technology.

Officer: as per SGU by-laws, officers include the President, Vice-Presidents and Chief Financial Officer.

Preferred source procurement: other sources/vendors might be available but SGU chooses to use only one particular source/vendor.

Property and Supply: a department under the Vice-President of Administration responsible for distribution of requisitioned supplies, maintenance of supplies inventory and property inventory records.

Proposal: an offer from a vendor to provide goods or services falling within general guidelines enumerated in a request for proposal or other solicitation issued by the University.

Purchase order: an order issued by Finance Dept. using SGU's standard purchase order form for the procurement of goods and/or services that, when accepted by the vendor constitutes a commitment to purchase.

Purchase requisition: a form used by an employee to request that a purchase be made. A properly authorized purchase requisition form is the first step in the procurement process.

Purchasing Services: a department within the Business Office responsible for issuing purchase orders after proper authorization and procedural steps have been compiled with.

Real property: real estate and buildings.

Services Rendered: services that have actually been delivered to the client, as opposed to advanced collections, such as deposits taken from a client before the work begins.

Sole source item: no other sources, other than the one recommended, are available.

Solicitation: a request for proposal, invitation to bid or any other request for prices including any specifications, plans and other supporting documents.

Specifications: descriptive information used to procure specific goods or services that may include performance requirements, physical characteristics, packaging requirements and other operating parameters of goods.

Supplies requisition: a form used by an employee to obtain supplies from the SGU Property and Supply inventories.

Work Agreements: A work agreement is an agreement between an individual providing a general service to SGU on a short term temporary basis.

Vendor: an individual or firm, outside the University, that sells goods or services. Prior to doing business with any Vendor the university shall check all vendors against the Excluded Parties List System (www.epls.gov) to ensure the Vendor is not debarred or suspended from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits.

8.1 PURCHASING THRESHOLDS

- Request for Quotes - Required for all purchases exceeding \$10,000.00.
- Justifications required - All purchases need to be allowable, reasonable, and allocable to the goals and objectives of each contract or grant.
- Construction, repairs, and alterations - \$2,000 or more is subject to the Davis-Bacon Act.
- Written contract or agreement required - Any Purchase Requisition for an item or service that is greater than \$10,000 and for which a competitive bidding process is required, must be accompanied by an appropriate contract or agreement that contains all necessary terms of the agreement.
- Request for Proposal - Sealed Bids - The main goal of sealed bids is to gain the benefits of full and open competitions by giving all qualified sources an opportunity to bid competitively on an equal basis.

Micro Purchase (\$.01 - \$14,999.99) Non Competitive

- Minimum one quote required from a qualified source for purchases less than \$10,000.00
- As stated above, all purchases exceeding \$10,000.00 will require three quotes.
- These purchases can be approved by the program/department directors and a member of administration.

Small Purchase - Goods and Services (\$15,000 - \$49,999.99) Competitive Bidding Process

- Minimum three quotes or bids required from qualified sources;
- Must include documentation to indicate some form of research was done to obtain the best price for the goods or services;
- If the required number of quotes or bids cannot be obtained, a Sole Source Justification is required;
- Must provide all required documentation; and
- At the discretion of the President or nature of project an RFP and contract may be required.
- Purchases from \$10,000 - \$49,999.99 must be approved by the President

Procurements - Goods and Services (\$50,000.00 +) Competitive Bidding Process

- RFP with performance bond required for service contracts. Purchases of goods will require three quotes.

- Requestor must provide documentation showing that at least three bids were obtained;
- If the required number of bids cannot be obtained, a Sole Source justification is required;
- Must provide all required documentation; and
- Board approval is required. Legal review of all RFPs and contracts required.
- President signs all contracts/agreements after Board approval.

8.2 General Policies

SGU is committed to operating in the most economical and efficient manner as possible. Its primary goal in the procurement of materials, supplies, equipment and services needed to carry out its mission is to obtain the optimal mix of acceptable quality, service, delivery, price and terms, while minimizing acquisition effort and cost.

- Preference shall be given to Indian organizations and business enterprises as sources of goods and services. Secondary to this preference, to the fullest extent possible, efforts to utilize small businesses, minority owned firms and women's enterprises should be made by all persons participating in the procurement process.
- SGU will enter into contracts only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed Procurement. Contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources are factors to be considered when contracting with independent contractors or other outside organizations.
- All contracts shall be monitored by the department awarding the contract to ensure contractor conformance with the terms, conditions and specifications of the contract or order, and to assure adequate and timely follow-up of all purchases.
- Finance Dept. shall review all proposed procurement actions (except those described in section 8.8) to ensure that administrative and budgetary authorizations have been obtained and duplicate procurements are avoided. In consultation with Property and Supply, a determination that the requisitioned product is not available for use from existing inventory shall be made prior to the issuance of a purchase order.
- Where appropriate, an analysis of lease versus purchase alternate shall be undertaken to determine which the most practical alternative is. Such analysis may be performed by the person initiating the purchase requisition or by Purchasing Services. The analysis and conclusions shall be written form and placed in the permanent file for that procurement.
- Some form of cost or price analysis shall be made in connection with every procurement action. At a minimum, such analysis shall consist of review of price quotations received or market prices. In instances where federal funds are used, a review and evaluation of each element of cost shall be performed determine reasonableness allowed under OMB Super Circulars. The price or cost analysis may be performed by the requisitioning department or by Finance Dept. Every procurement file must include documentation of the analysis.

8.3 Authority:

The following rules pertain to all procurements except as provided in section 8.8:

- a) Only SGU VP's and Finance Dept staff (Finance or Grant Mgrs) are required to approve/sign requisitions to be submitted for Purchase orders.
- b) Only Finance Dept. staff is authorized to issue a purchase order. In the absence of Purchasing Clerk. Only officers of the University are authorized to enter into a contract or lease on behalf of SGU.
- c) Placement of on-line orders by SGU faculty and staff are **prohibited**. As SGU is a tax-exempt entity, only Finance Dept/Accounts Payable staff may place an on-line order with an approved purchase order.
- d) Except for section 8.8, procurements, University funds are committed only through the issuance of a purchase order and/or the signing an approved contract or lease by any officer.
- e) **Unapproved** purchases and other commitments made by faculty and staff, including orders placed on-line, are not legal and binding for SGU and may result in a personal obligation for the individual making the purchase or commitment.
- f) Under special circumstances, purchases can be made by a faculty/ staff member for reimbursement. These types of purchases must be pre-authorized by supervisor. Written justification and receipts(s) must be attached to reimbursement. **Taxes will not be reimbursed.**

8.4 Procurement Code of Conduct

The University's reputation for fair, honest and consistent treatment of suppliers can best be upheld if procurement is done solely on the merits of a transaction. All University personnel should conduct themselves in a manner as to foster public confidence in SGU procurement operations.

8.4.1 Ethics

All employees who participate in a procurement action shall adhere to the following rules of conduct:

- a) Employees shall give first consideration to the objectives and policies of SGU.
- b) Employees shall strive to obtain the maximum ultimate value for each dollar of expenditure.
- c) Employees shall grant all competitive bidders equal consideration; consider every proposed transaction on its own merits; and promote fair, ethical and legal trade practices.
- d) Employees shall purchase goods and services only when needed and necessary for carrying out the purpose and objective of the University.
- e) Employee shall decline personal gifts or gratuities except for those of nominal value and commonly distributed to all customers of a vendor or supplier.
- f) Employees shall not arrange for or conduct personal purchases through SGU.

8.4.2 Conflict of Interest

Employees, including officers, are prohibited from participating vendor/contractor selection decisions if an actual or potential conflict of interest would be involved.

An employee is considered to have an actual or potential conflict of interest if:

- A. The employee, a member of his/her family or an organization which employs or is about to employ either, has a financial or other interest in the firm engaging in, or seeking to engage in business with SGU.
- B. The employee, family member, or an organization in which the employee or family member has an ownership interest, management function or other material interest.
- C. The employee solicits or accepts a bribe, kickback, gratuity, or anything of monetary value from a supplier, contractor, vendor or any party doing business, or seeking to do business with SGU.

8.4.3 Violations of Procurement Code of Conduct

Any known or apparent violation of this code of conduct must be reported immediately to Finance Manager. When a reported violation involves an employee, it shall in turn be reported to the Human Resources Director for action pursuant to Personnel Disciplinary Policy. When a reported violation involves actions by a vendor shall be banned from engaging in any future business with SGU. **This should be reported to the employee's supervisor and action should be taken accordingly per Personnel Policy and Procedures under 5.6.5 Discipline.**

8.5 Competition

After the Indian preference requirement of section 8.1, the following policies apply to all SGU procurements; it is the policy of SGU that acquisitions of products and services are made within an environment of open and free competition between potential suppliers, to the maximum extent practical, subject to the requirements of quality, price, delivery and performance. This objective may be accomplished by negotiated pricing agreements; solicitations of bids, quotations or proposals; and formal bidding procedures, as appropriate and set for in sections 8.7.1-6.

8.5.1 Solicitations

Solicitations shall clearly set forth all requirements a bidder must satisfy and all factors SGU will consider in evaluation bids or proposals. Descriptions shall not contain features which unduly restrict competition. Descriptions of technical requirements in terms of function to be performed and performance required shall include a range of acceptable standards or minimum acceptable standards.

Any and/or all bids received by SGU may be rejected when it is in the best interests of SGU to do so.

The selection of a vendor / contractor for an intended procurement shall made on the basis of its ability to meet SGU requirements for quality, service and price. As a general practice, this selection shall reflect the lowest cost to the University. However, Finance Dept. may authorize the selection of a small, disadvantaged business if it demonstrates the ability to satisfy quality and delivery requirements at a cost that is competitive.

8.5.2 Participants Excluded from Competing

Individuals or firms including, but not limited to, **independent contractors**, architects, engineers, and designers who develop or draft, or assist in development or drafting of **specifications** for an intended procurement, are prohibited from competing for that procurement.

8.5.3 Advertising of Solicitations

Formal advertising of solicitations for bids is the required method of procurement. Negotiation in lieu of advertising of solicitations is permitted when it is impractical or unfeasible to use formal advertising or under the following circumstances;

- a) The total amount of the intended procurement is less than \$10,000.
- b) The product or service to be obtained is available only from one person or firm (see section 8.5.4 Sole Source)
- c) The intended procurement is for personal or professional services or for any service to be rendered by the university.
- d) No acceptable bids have been received after formal advertising.
- e) The purchase is for technical items or equipment requiring standardization and interchangeability of parts with existing equipment.

8.5.4 Procurement Records

- Finance Dept. shall maintain files for all purchases
- The file for every purchase over \$10,000 must include the basis for the selection of the vendor and cost or price negotiation. When negotiation is used in lieu of advertised solicitations, reasons must be documented and made part of the procurement file.
- When a sole source or preferred source vendor is used for any purchase, written justification for using that vendor must be included in the file.
- The price or cost analysis referred to in section 8.2, whether performed by Finance Dept. or the requisitioning department, shall be part of the file. Any lease/purchase analysis referred to in section 8.2.4 must also be included in the procurement file.

8.6 Procurement Procedures

- Although all SGU procurement policies are generally applicable, the specific steps required to accomplish procurement are designed around the type of item to be procured and its estimated cost.
- *****All purchase requisitions are reviewed by Finance Dept. prior to placement of an order. Only the stage in the procurement process at which the purchase requisition arrives at Finance Dept. differs among the item and cost categories.
- ****A requisition for supplies (supplies requisition) generally on hand in the SGU supplies inventory need not be reviewed by Finance Dept. but may be sent directly to Property & Supply for processing.

8.6.1 Requisition for Supplies from SGU inventory

- A supplies requisition signed by an officer, dean, department head or program manager must be submitted to Property & Supply located in the Administration Building in Mission. A supplies requisition submitted but not signed by an officer,

dean, department head or program manager will be returned to the requisitioning department.

- All office supplies, copy paper, toner, print cartridges, coffee products, cups, and paper products may be requisitioned from Property & Supply.
- Property and Supply clerk shall fill the request from inventory and record the transaction so that the Business Office may charge the requisitioning department budget.
- Property and Supply clerk shall replenish supplies inventory as needed following procedures described in section 8.7.3.

8.6.2 Requisition of computer related and other technology items:

Items within this category includes: software, hard drives, monitors, scanners, printers, servers, cables, networks, etc.

a) A purchase requisition form must be submitted to the MIS Department.

The purchase requisition form must include the:

- Signature (authorization) of an officer, dean, department head, or program manager.
- Account number or name of department or program to be charged.
- Description of item(s) to be procured, requirements and specification.

b) MIS staff shall estimate the cost of the requisitioned items based on their knowledge and experience in the field. If the estimated cost is:

- \$.01 to \$999, MIS shall select a vendor, obtain actual cost of the product from that vendor and forward the completed purchase requisition to Finance Dept. for the issuance of a purchase order to that vendor.
- \$1000 to \$10,000, MIS shall obtain price information from three vendors. The price information may be obtained informally via telephone or on-line inquiry, catalogue, etc. MIS shall select a vendor based on price and other factors such as availability, reliability, delivery, etc. The completed purchase requisition is then forwarded to Finance Dept. for issuance of a purchase order to the vendor.
- \$5,000 to \$10,000 MIS shall obtain three quotes via telephone or written inquiry. MIS then selects a vendor based on price and other factors and forwards the completed purchase requisition to Finance Dept. for issuance of a purchase order to the vendor.

If, in the judgment of MIS, it is necessary to use a specific brand name, manufacturer, or sole or preferred source as the supplier of a product, MIS shall provide written justification for the request, including evaluations of the product and the supplier.

- \$10,000 and greater, MIS shall prepare solicitation in accordance with section 8.5.1 and arrange for its publication pursuant to section 8.5.3.

If, in the judgment of MIS, it is necessary to use a specific brand name, manufacturer, or sole or preferred source as the supplier of a product, MIS shall provide written justification for the request, including evaluations of the product and the supplier.

8.6.3 Requisition of Other Products or Equipment, excluding Custodial Supplies.

This category includes any product other than supplies identified in section 8.7.1, computer related items identified in section 8.9.2. and Maintenance Department purchases of custodial supplies described in section 8.7.4

A purchase requisition form must be submitted to Finance Dept.in the Administration Building in Mission.

- a) the purchase requisition must include the:
- Signature (authorization) of a VP, department head or program manager and Grants Mgr/**CFO**.
 - Account number or name of department or program to be charged.
 - Description of item(s) to be procured, requirements and specifications, if any.

The person submitting the purchase requisition may indicate a specific vendor and/or product or model number. In order to expedite processing, when the expected cost falls within \$10,000 to \$150,000, the requisitioning party should obtain cost information from at least 2 vendors, as indicated in the following provisions of this section.

This cost information should be submitted to Finance Dept. along with the purchase requisition. Failure to submit the necessary cost information with the requisition may result in substantial delay in acquiring the intended item(s) depending on the workload demands on Finance Dept. at the time of the requisition.

- b) Finance Dept. shall review the purchase requisition and related cost information. When appropriate, Property and Supply should be consulted to determine if the item(s) is available from existing SGU property not in use. When it is necessary to purchase the item(s) and the cost is:

8.6.4 Procurement – Blanket Purchase Order

- Procurements by the Plant Management Department are subject to the same policies and procedures as described in this chapter, except for purchases of custodial supplies.
- For purchase of custodial supplies, Finance Dept. may issue a blanket purchase order to the vendor selected by the Plant Management Department as its provider of custodial supplies based on a review of cost information form at least three vendors and other factors such as availability, quality, reliability, delivery, etc.
- The blanket purchase order may be valid for a period of up to one year.
- Plant Management Department shall conduct reviews of cost information from at least three vendors prior to either the renewal of an expired blanket purchase order or the issuance of a new blanket purchase order to a new vendor.

8.6.5 Requisitions of Services (from other than SGU employees)

- a) Under \$5,000

A standard SGU consulting contract is used to procure one-time personal or professional services for which payment in an amount less than \$5,000 is to be made to the persons other than regular SGU employees (independent contractors) or outside firms.

This standard SGU consulting contract must be signed by both the contractor and the head of the department requesting the services before it is sent to a Vice President for authorization and signature. After signing the contract, the vice president shall send the contract to the Business Office for payment.

b) Over \$5,000

Contracts for personal or professional services expected to exceed \$5,000 must be approved by the president.

SGU general procurement policies described in section 8.2 and the solicitation provisions of sections 8.5.1 and 8.5.2 shall apply to procurements of services over \$5,000.

Solicitations for such services may be advertised or disseminated by other means, as appropriate. A basis for the selection of a provider, including the use of sole or preferred sources, must be included as part of the procurement file.

8.6.6 Purchase of Native American Paintings, Artifacts and Quilts

- Purchases of quilts, paintings and artifacts to be used as gifts from SGU, maintained by SGU in the Lakota Heritage Center, or for resale in the Bookstore require authorization by the President or authorization by a Purchasing Committee comprised of employees of the Bookstore, Property/Supply, the Community Liaison, and chaired by the Director of Personnel.
- The Purchasing Committee will determine the authenticity and quality of the product and is responsible for the purchasing process. An inventory of all purchases will be maintained by the Property and Supply Office.

8.6.7 Purchase of Real Estate

All real estate purchases shall be negotiated and completed with the approval of the Board of Regents. The president shall have sole authority to negotiate and approve all real estate purchases, after approval of the Board of Regents.

8.6.8 Purchase of Livestock

All purchases of animals or livestock shall be negotiated and approved by the President of Sinte Gleska University. The President shall have sole authority to negotiate and approve all livestock or animal purchases.

8.6.9 Exemptions from This Policy

The following procurements are exempt from the provisions of this chapter:

- a) Purchases of craft items intended for resale. This exception covers all items purchased by SGU for re-sale to customers by the bookstore and other entities.
- b) Sole-sourced items
- c) Legal services where such representation is necessary to protect the interests of SGU.
- d) The purchase of insurance coverage of any type.
- e) travel or transportation and lodging
- f) Utilities.

8.7 Sole Sourcing

When solicitation for proposals is from only one source or competition is considered inadequate. This method is only allowed if the other methods are infeasible and one of the following apply:

- Item is available from only one source
- Item is public emergency and time does not allow for solicitation process
- Grant or Agency specifications
- After solicitation, competition is determined inadequate.

8.8 Suspension and Debarment

- The following web site shall be checked for suspended or debarred companies www.arnet.gov/eplis. The page shall be printed and used as documentation that the company awarded the contract, bid, or proposal is not suspended or debarred.
- The College will follow Indian Preference provisions set forth in Section 7(b) of the Indian Self Determination and Education Assistance Act, as amended, (Title 25 of the United States Code, Section 450e(b)(2). The College will make positive efforts to use small business and minority-owned business sources of supplies and services when no conflict exists with the Indian Preference provisions.

8.9 DAVIS-BACON ACT COMPLIANCE POLICY

- The Davis-Bacon Act (DBA) codified as 40 U.S.C. §§ 3141-3148 applies to contractors and subcontractors performing on federally funded contracts in excess of \$2,000 for construction, alterations, repairs (including painting and decorating) and also, including craft positions such as plumber, carpenter, cement mason/concrete finisher, electrician, insulator, laborer, lather, painter, power equipment operator, roofer, sheet metal worker, truck driver, and welder. DBA contractors and subcontractors must pay their laborers and mechanics employed under the federal funded contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area.

- Please view the Department of Labor's websites
▪ <http://www.dol.gov/whd/contracts/dbra.htm> and
<http://www.dol.gov/faqs.aspx>
for all pertinent information related to compliance with labor standards.

- The Maintenance Director provides written notice to the contractor of this Federal regulation for compliance with the DAVIS BACON ACT, 40 U.S.C. §§ 3141-3148 as amended and in conformance with the U.S. Department of Labor regulations at 29 CFR Part 5, (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction) and 29 CFR Part 3 (Contractors and Subcontractors on Work Financed in Whole or in Part by Grants from the United States).

- Accounts payable will NOT issue payment until certified payrolls and invoices have been received in finance.

These procurement policies and procedures were adopted by the SGU Board of Regents on

September 26th 2018

SINTE GLESKA UNIVERSITY



BOOKSTORE & GIFT SHOP

POLICIES AND PROCEDURES

Section One: Purpose

The purpose of these policies and procedures is to serve as a reference tool in making decisions involving the management and operations of Sinte Gleska University (SGU) Bookstore and Gift Shop. By establishing guidelines it will help with acquainting the manager & staff of SGU Bookstore & Gift Shop on policies and procedures of; organization, purchasing, adoption of material, inventory controls, and reporting.

Department policies and procedures may be amended by the SGU Board of Regents on the recommendations of the SGU Finance Manager and SGU Bookstore Manager. Policies and procedures should be reviewed by the Bookstore Manager periodically to determine if any changes need to be made.

Mission Statement:

It is the mission of the SGU Bookstore & Gift Shop to enhance student support by assisting students in obtaining required course material, providing the product(s) and service(s) that supports the students learning needs while promoting campus life and adhering to SGU's overall Strategic Plan on student support.

Section Two: Organization

SGU Bookstore & Gift Shop falls under the Finance Office, listed as an enterprises function of the University, because it is a for-profit business, adhering to the SGU Personnel Policies and Procedures manual. The SGI-J Bookstore & Gift Shop employs the following personnel: 1 — Full time employee (manager)

1 — Part time employee (clerk)

The full time employee works 40 hours a week. Overtime may be paid to the employee with prior approval from their immediate supervisor.

The part time employee works 20 hours a week. Additional hours may be approved by the employee's supervisor, but is not to exceed 60 hours every two weeks.

Section Three: Adoption of Materials

It is the responsibility of a SGU faculty member to research and select the course material they will be adopting for the semester. It is their responsibility to make sure the material is current and available to be purchased from a vendor they've adopted material from.

Once the faculty member(s) has selected their material, it is then submitted on a "text request" form to the Academic Affairs Department for approval. The bookstore will not except any request without the proper signatures. Should the store receive a request that hasn't been submitted or approved by the Academic Affairs Department, the store will send the request to them for proper approval.

Now, that the request has been submitted and approved by the Academic Affairs Department, they will send all requests to the bookstore NO LATER than 8 weeks prior to a semester starting.

Section Four: Inventory Control

The SGU Bookstore & Gift Shop uses the first in, first out (FIFO) method and the Point of Sale (POS). This program allows the store to track inventory. The bookstore performs a physical inventory count Of ALL departments within the store at the end of each fiscal year. A physical inventory on the following departments will be done at the end of each semester: textbooks, used books, general interest books, class supplies and promotional items.

Physical counts are done by the bookstore employees, who will initial and date the inventory sheet to verify count. The store closes for business the final week of September to perform this duty. All inventory counts have to be entered in to QB POS before October 1 of each year. Semester end inventory will be adjusted upon completion in the POS system.

Excess of goods: will be returned to the vendor following their return policy noted in the vendor file. Textbooks should be returned at the end of each semester unless indicated by a faculty member.

Section Five: Purchase of Goods Sold

Since the SGU bookstore is listed as an enterprise under the university; it acquires inventory following the guidelines set forth in Section 8.0 (pg 36) of the SGU Finance Policies and Procedures.

Standard markup on resale of purchases will be 40%

Section Six: Reporting

The SGU bookstore is a for-profit department under the university therefore, it does manage cash sales on a day to day basis. The store uses a POS accounting system to track sales, inventory, vendors, and customers efficiently.

Section Seven: Daily Operations

SGU bookstore is a for-profit department under the university therefore it manages cash sales on a daily basis. The store uses a POS accounting system to track everything from sale, inventory, customer and vendors. At the end of each day the following procedures will need to be performed to ensure the proper reports can be submitted to the bookstore manager and finance office.

END OF DAY PROCEDURES — at the end of each day, the bookstore is required to close out the cash register/till. The following procedures are done at the end of each day using the QB POS system:

1. Run End of Day POS report
2. Tally cash register cash/coins/checks
3. Fill out daily cash log
4. Enter daily cash log in to POS
5. Run Z-Out draw count report (POS accounting system)
6. Department summary report (POS accounting system)
7. Close out credit card machine (Attach batch report/receipts to daily log)
8. Certify daily deposit, place in safe along with reports for day.
9. Submit deposit to Finance office as soon as possible.

Section Eight: Revenue Management

SGU bookstore is a for-profit department and manages cash sales on a daily basis.

CASH: the bookstore does have a cash register/till utilizing the POS accounting system to handle daily sales. The beginning balance at the start of each day is to be \$150.00. This is to ensure the bookstore is able to perform daily sales. The store counts both at the beginning of the day and at the end of the day. This count is done on a daily count sheet.

DEPOSITS: at the end of each day, a daily cash count is done, and a deposit for the day is made. The deposit along with the end of day report is placed in a secured safe. Deposits are submitted to the Finance Accounts Receivable department on a daily basis by the bookstore manager. A receipt is given, returned to the bookstore and filed.

Section Nine: Charge Policy

STUDENTS: the bookstore is essential to students in acquiring their necessary materials. The bookstore does not turn a student away. If a student should want to acquire their course materials from the bookstore, they will need to provide a current class schedule in order for the materials to be charged to their account. Students will have until the ADD/DROP period to acquire any and all the course materials needed. After the ADD/DROP period, a student will not be able to charge any course materials. The student will have to purchase materials on his/her own. All student charges will be forwarded to Student Billing one week after the ADD/DROP period has ended.

Staff – full time staff may purchase products on payroll deduction. Any charges under \$100 will be deducted 1 time, over \$100 will be deducted no more than 3 times.

Section Ten: Return Policy

The SGU bookstore accepts returns on merchandise with original receipt within 30 days of receipt date. The bookstore will not accept returns on packaged or bundled items. Items must be unopened and in their original package to be considered for return.

TEXTBOOKS/COURSE SUPPLIES: Students who wish to purchase textbooks using student funding, grants, scholarships, etc. will be allowed to return books until the ADD/DROP period. After the ADD/DROP period, students will not be able to return and will be responsible for their own book billing. Students who have purchased their books without student funding, will be allowed to return books until the LAST DAY TO WITHDRAW period.

INTERNAL -

GOODS SOLD — the bookstore will follow the return policies of the various vendors used for other merchandise. The individual vendor return policies will be kept in the vendor file at the bookstore.

PROCEDURAL MANUAL
FIXED ASSET AND INVENTORY CONTROL
FOR
SINTE GLESKA UNIVERSITY

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INTRODUCTION:

In recent years government officials have come under increased pressure to demonstrate that they are properly fulfilling their stewardship responsibilities, In regards to the stewardship of Fixed Assets, officials are concerned as to whether the entity's assets are being safeguarded and used in a proper and efficient manner. Accordingly this requires the establishment of an inventory system to ensure that fixed assets are adequately controlled. Fixed Assets require both of accounting control as well as physical control. This control is most effective when physical and accounting controls are integrated. To maintain an accurate fixed assets inventory system it is necessary, to have control over the underlying acquisition, use and this disposition of assets.

A fixed asset system is a set of methods, Policies and Procedures for recording and using fixed assets. The specific components of the fixed assets inventory system vary considerably depending on the type of assets size, size of the organization, personal resources available, and various other factors that are unique to each government entity

The major steps involved in establishing of fixed assets inventory system include planning taking a physical inventory of existing assets recording the assets in accounting records establishing value for the assets and implementing the system to record the acquisition of new assets.

This manual has been developed to provide uniform standards throughout Sinte Gleska University with the understanding that all Immediate Supervisors Department Heads, Administrative Assistants, and employees are personally responsible for protecting school property entrusted to them. This includes proper care, maintenance, control and reasonable safeguards to prevent loss, damage or theft of such equipment other than Fixed Asset. The development of this comprehensive manual was completed in regards to the South Dakota legislative audits and the General Accepted Accounting Principles (GAAP).

The fixed assets inventory system is on an Excel test spreadsheet designed with a straight line depreciation method definition and resources may be found in attached code of federal regulations 2CFR section 200.313

THE ACQUISITION PROCUREMENT OF EQUIPMENT

- a. All purchases for equipment and other term assets will be approved on a Purchase Order and signed by the Finance Manager or delegated purchasing agent as per Procurement Policy and Procedures. All purchase orders will be entered in to the software system by Wednesday afternoon.
- b. Approval Limitations: Procurement Thresholds
- c. See Policy 8.1 Financial Policies and Procedures: Purchasing Thresholds
- d. The Property and Supply clerk is responsible for the receiving of school merchandise, all purchases are matched up against the approved purchase order. All packing slips, invoices will be documented

and turned into accounts payable for payment. All departments will then be notified of received merchandise, and is ready for pick up.

- e. Consumables less than \$3,000. Life span up to a year
- f. Small Purchases from \$3,000. To \$5,000. Life span of a year or more
- g. Competitive Bidding for Equipment of \$5,000. Life span over a year or more
- h. Non-competitive Proposals (Sole Source)
- i. Any single item with the useful life of more than one year and the cost of \$5000 or more will be considered to be Capital Equipment and will be documented on fixed assets inventory, any single item with the useful life of one year or more with the high risk of lost or stolen a cost of \$100 to \$3,000 will be considered Sensitive Equipment, will be tagged with pre-numbered department tags or engraved. Consumables with the lifespan of less than a year and the cost of less than \$3,000 can be marked with a permanent marker or a property tag. This is at the discretion of the director or supervisor, which ever helps in keeping track of their equipment

ACCOUNTABILITY

a. Physical inventories are to verify the existence, condition accuracy of our records for equipment owned, donated, and purchased, that are accountable to Sinte Gleska University. This has to be a team effort involving immediate Supervisors, Department Heads Administrative Assistants, Staff Assistants, employees, all who are concerned in accountability. Annual physical inventories for each Department should take place at the end of a fiscal year (September) before the Audit. A Fixed assets physical inventory is required every two years, prior to September. An Inventory worksheet will be provided with a copy of the general Ledger sheet or refer to the purchase order register for your department to show what was purchased throughout the year. Inventories will be submitted to the fixed assets coordinator for certification and those not turned in, notification will be submitted to the Finance Manager, for appropriate action. The Fixed Assets physical inventory must be performed by two people with signatures and date(s) the inventory was performed.

DISPOSAL OF EQUIPMENT AND FIXED ASSESTS

- a. A department may have equipment that exceeds its useful life of one year, lack of need, wear and damage or deteriorated. The disposal and consideration to be surplus property will be submitted on a Report on Disposal and Surplus Property form for review and documentation upon receipt of this form will be forwarded to the Finance Manager for Board of Regents approval.
- b. The Board Of Regents: will decide on the Disposition of Surplus Property, Salvage Equipment, a copy of this form and the decision to sell/donate/ or dispose of equipment for parts. Criteria is set forth by the Board of Regents
- c. Inventory write offs is determined by the Board of Regents to be obsolete and su plus property. An accounting for the formal recognition of what portion of the university invent ry no longer have

value. An inventory write-off may be recorded by debiting that investment i Fixed Assets account and credit assets account in fund 50 for the purchase value of the asset

d, Transfers, a Transfer form explains when and item is transferred to another locati n for continued use. Appendix A — Sample Forms

DEFINITIONS:

The purpose of this manual, the term assets will include all fixed asset sensitive items that have a life expectancy of more than a year which is recorded and tracked on the Fixed Assets balance sheet. The definitions are listed below,

Equipment; means an article of non-expendable tangible personal property having a of more than one year. An acquisition class which equals or exceeds the lesser of capitalization level established by the **governmental unit for financial statement purposes or why \$5000 and over.**

Sensitive Equipment: nonexpendable property which shall be recorded and controlled, are particularly vulnerable to theft and have a cost of Fair value between \$100 and \$3,000. The following listed items actually considered Sensitive Minor Equipment, (examples) are binoculars, cameras, microscopes, musical Instruments, tuner scanners, projectors, external computer scanners) iPads, electronic notebooks, laptops, computers, radios, receivers, video cameras, camcorder, television. This list is not all inclusive, departments need to discern if additional items are "movable a d vulnerable to theft" to decide if they should be coded Sensitive Minor Equipment.

Expendable Property: consumable, non-durable or soft goods with a normal life expectancy of less than one year. It is normally consumed in the normal course of its use. Also, property that is not Sensitive and has an original acquisition cost of less than \$100. to \$3,000. This is by quantity not each.

SURPLUS PROPERTY

Once equipment is fully depreciated the Board of Regents will decide its disposition.

ASSETS CLASSIFICATION - these asset classifications comprise the General Fixed Asset Account group of the Sinte Gleska University chart of accounts. The following fixed asset account number is ysed only for equipment and fixed asset purchases.

Land - all land owned by inheritance, purchased, or donated to the University

Buildings — Old / New Buildings owned by Sinte Gleska University such as administration, maintenance, garage, warehouses, gymnasium, classrooms, modular and trailer homes

Vehicles — cars, pick up, trucks, vans, heavy duty equipment such as tractors, trailers, front nd loaders, bobcats etc.

Construction in Progress (CIP) - All building expenditures for facilities under construction until the assets is placed into service.

Capital Outlay —A addition made to or change in buildings, grounds and vehicles other than maintenance to prolong its life or to increase it sufficiency.

Personal Property -any property that cannot be moved from one place to another, this term is in distinction with immovable property or immovable such as land and buildings.

Real Property -is a subset of land that has been legally defined and improvements made to it, such as any buildings, machinery, wells, dams, ponds , mine, canal, roads.

Lease Agreements -a lease is a contract in which one party (lessor) agrees to transfer an asset to another party (lessee) in exchange for periodic payment or is secured long- term debt. With an operating lease the (lessor) maintains ownership of the leased asset. In a capital lease, the (lessee) owns the assets when the lease is complete.

Depreciation -depreciation, as described by the South Dakota Department of legislative audit is a system of accounting which aims to distribute the cost or other basic value of tangible capital assets or with estimated useful life of the asset and systematic and national manner the school uses the straight line method of depreciation which accumulates depreciation uniformly over purchases \$5000 or more.

BIDDING PROCESS

This process is used in conformance with the Finance Policy and Procedures (8.1 Purchasing Threshold) All purchases over \$3000. Documented on all Purchase orders and attached.

1-9 Forms Employment Eligibility Verification

The individual or business that is contracting with the independent contractor is not required to complete form 1-9 for the contractor. The agency completes form 1-9 for each worker they provide to your company, because the workers are considered employees of the agency, not of your company. I9's are for employees / consultants you hire for work, use form 1-9 to verify the identity and employment in the United States. All US employers must properly complete 1-9 for each individual they hire for employment in the United States. This includes citizens and noncitizens. Both employees and employers (or authorized representative of the employer) must complete the form.

Special Note: A product or service is Priority Exclusive -Sole Source. No bids are needed, however justification is required. The justification should include why this product or service is necessary and why the product or service is proprietary or inclusive to one vendor. Sams.Gov must be used if amount is over \$5000.

SAM.Gov: System for Award Management, is it government wide portal that is consolidating the capabilities or multiple systems and information sources by the Federal government.

Contractors/Vendors as a recipient need to check whether an entity to which you plan to award contract is suspended or debarred.

EPLS/ Excluded Parties list Systems:

Electronic Directory of Individuals and organizations that are not permitted to receive Federal Contracts or assistance from the United Stated Government.

DUE PROCESS PROCEDURES:

1. APPROVED PURCHASE ORDER
2. APPROVED CONTRACT
3. BIDS / SOLE SOURCE
4. SAMS.GOV
5. DAVIS BACON ACT (Federally funded contracts in excess of \$2,000.)

Reviewed/Revised June 2021

Board approved: 9/28 2021

Board approved: 9/15 2023

APPENDIX A

SAMPLE FORMS

- A. Delegation of Responsibility
- B. Report of Lost / Damaged / Stolen Property
- C. Report on Disposal / Surplus Property
- D. Purchase Order / Service Rendered For
- E. w-9
- F. Bidding Process / Sole Source Form
- G. Inventory Sheet
- H. Service Contracts Forms