



# California Health Sciences University

## CHSU GOVERNING STATUTE NUMBER 6 FISCAL MANAGEMENT AND ACCOUNTABILITY

### **I. PURPOSE AND APPLICABILITY**

- A. This policy applies to the fiscal governance of the University and its component colleges. It is set to ensure proper management and accountability of financial resources of the University.

### **II. GUIDING PRINCIPLES**

- A. The President is accountable to the Board of Trustees for the execution of financial policies approved by the Board of Trustees and the overall financial management of the University. The President performs these directives by delegating responsibility and accountability to appropriate personnel.
- B. The Chief Financial Officer is accountable to and advises the President on all financial affairs of the University.
- C. Senior management personnel are accountable to the President and/or the Chief Financial Officer for implementing the fiscal management policies and directives that have been delegated to them.

### **III. FINANCIAL MANAGEMENT AND ACCOUNTABILITY RESPONSIBILITIES**

- A. Board of Trustees
  - 1. Create committees devoted to financial oversight and approve broad financial policies that will guide the University;
  - 2. Review and/or approve items concerning financial statements, annual budgets, budget to actual reports, long-term financial plans, financial resources, revenue sources and financial aid programs;
  - 3. Review and initially approve an annual operating and capital budget for submission and final approval by the corporate members ("Members"), as described in the Board of Trustees Bylaws;
  - 4. Appointment of an external independent auditor to conduct an annual financial statement audit.



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### B. President

1. Develop an annual operating and capital budget for approval by the Board of Trustees and Members.
2. Delegate budgetary responsibility and accountability to appropriate personnel;
3. Ensure policies and controls are developed, monitored and managed appropriately;
4. Monitor financial performance on an ongoing basis;
5. Regularly inform and advise the Board of Trustees and Members of financial business matters impacting or expected to impact the University;
6. Coordinate the approval of the annual operating and capital budget by the Members, or delegate such coordination to appropriate personnel.

### C. Chief Financial Officer

1. Develop and implement financial policies, systems and procedures which provide appropriate checks and balances in accordance with University policy development processes;
2. Assist the President in developing the annual operating and capital budget;
3. Implement the annual operating and capital budget process, as approved by the Board of Trustees and Members;
4. Delegate responsibility for monitoring and implementing financial processes to appropriate personnel;
5. Monitor financial performance on an ongoing basis and advise the President of financial matters;
6. Assist the President in advising the Board of Trustees and Members regarding financial business matters as directed by the President.

### D. Senior Management Personnel

1. Develop an annual operating and capital budget for their department or college in accordance with University policies, procedures and processes;
2. Monitor financial performance of their area of responsibility on an ongoing basis and report financial issues to their direct supervisor;
3. Ensure all applicable University policies, procedures and processes are carried out appropriately.



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- Policy Owner: Provost
- Effective Date: 11/01/2017
- Revised Date: 5/10/2018
- President Approval Date: 5/10/2018
- Provost Approval Date: 5/10/2018
- Approval by Board Date: 5/10/2018