

STANDARD 3: Resources

D. Financial Resources

Financial resources are sufficient to support student learning programs and services and to improve institutional effectiveness. The distribution of resources supports the development, maintenance, and enhancement of programs and service. The institution plans and manages its financial affairs with integrity and in a manner that ensures financial stability. The level of financial resources provides a reasonable expectation of both short-term and long-term financial solvency. Financial resources planning is integrated with institutional planning.

1. The institution relies upon its mission and goals as the foundation for financial planning.

- a. Financial planning is integrated with and supports all institutional planning.

DESCRIPTION:

EVALUATION:

PLAN:

- b. Institutional planning reflects realistic assessment of financial resource availability, development of financial resources, partnerships, and expenditure requirements.

DESCRIPTION:

EVALUATION:

PLAN:

- c. When making short-range financial plans, the institution considers its long-range financial priorities to assure financial stability. The institution clearly identifies and plans for payment of liabilities and future obligations.

DESCRIPTION:

EVALUATION:

PLAN:

- d. The institution clearly defines and follows its guidelines and processes for financial planning and budget development, with all constituencies having appropriate opportunities to participate in the development of institutional plans and budgets.

DESCRIPTION:

EVALUATION:

PLAN:

- 2. To assure the financial integrity of the institution and responsible use of financial resources, the financial management system has appropriate control mechanisms and widely disseminates dependable and timely information for sound financial decision making.

- a. Financial documents, including the budget and independent audit, reflect appropriate allocation and use of financial resources to support student learning programs and services. Institutional responses to external audit findings are comprehensive, timely, and communicated appropriately.

DESCRIPTION:

EVALUATION:

PLAN:

- b. Appropriate financial information is provided throughout the institution.

DESCRIPTION:

EVALUATION:

PLAN:

- c. The institution has sufficient cash flow and reserves to maintain stability, strategies for appropriate risk management, and realistic plans to meet financial emergencies and unforeseen occurrences.

DESCRIPTION:

EVALUATION:

PLAN:

- d. The institution practices effective oversight of finances, including management of financial aid, grants, externally funded programs contractual relationships, auxiliary organizations or foundations, and institutional investments and assets.

DESCRIPTION:

EVALUATION:

PLAN:

- e. All financial resources, including those from auxiliary activities, fund-raising efforts, and grants are used with integrity in a manner consistent with the missions and goals of the institution.

DESCRIPTION:

EVALUATION:

PLAN:

- f. Contractual agreements with external entities are consistent with the mission and goals of the institution, governed by institutional policies, and contain appropriate provisions to maintain the integrity of the institution.

DESCRIPTION:

EVALUATION:

PLAN:

- g. The institution regularly evaluates its financial management processes, and the results of the evaluation are used to improve financial management systems.

DESCRIPTION:

EVALUATION:

PLAN:

- 3.** The institution systematically assesses the effective use of financial resources and uses the results of the evaluation as the basis for improvement.

DESCRIPTION:

EVALUATION:

PLAN: