

LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM
Policy # 5.033

Title: FISCAL HEALTH MONITORING

Authority: Board Action

Original Adoption: December 14, 2016

Effective Date: December 14, 2016

Last Revision: Initial

The intent of the Fiscal Health Monitoring Policy is to provide LCTCS colleges and the LCTCS Board of Supervisors assurances regarding the fiscal health of LCTCS colleges. In addition to quarterly fiscal budget reporting and fiscal health monitoring of colleges, this policy sets forth the framework for programmatic monitoring to determine areas that may need refinement or restructuring to assist colleges in aligning expenditures with available resources in the event of the following:

- Two or more red “flags” in the financial health index
- Two consecutive financial reporting quarters whereby expenditures exceed revenues
- Two consecutive financial reporting quarters whereby prior year revenues are used to cash flow a defined level current year receivable revenues
- Assistance is requested to address cash flow needs
- Other criteria as determined relevant by the System President

College CEOs may provide documentation to the board office to indicate that the need for fiscal health monitoring assistance is not warranted. The system President will determine whether assistance is warranted.

College’s needing fiscal health monitoring assistance will work with System Office staff to initiate an analysis of college operations that focuses on areas of fiscal improvement. Areas include, but are not limited to:

- Class size by course and section
- Space utilization
- Faculty workload
- Enrollment management
- Faculty distribution between full-time, part-time and adjuncts
- Administration to instructional ratios
- Student and account receivables
- Program offerings
- Business office practices/Student Affairs

Any determinations made from this analysis will be presented to the LCTCS President for further review and advisement with any recommendations to be communicated to the LCTCS Board.