
Chapter: Fiscal and Administrative Affairs

Modification No. 011

Subject: **Fiscal Control**

I. Budget Control

- A. All budgets of the College will be prepared and administered in a manner consistent with applicable law, regulations, and procedures, within Board policy and with the guidance of the College mission, purpose and goals.
 - 1. The Operating Budget of the College will be prepared in such a manner that appropriations can be made to those major functions established by the Maryland Higher Education Commission, and that each major function can be subdivided, for internal operating purposes as appropriate, into expenditure classifications as recommended in the Accounting Manual for Maryland Community Colleges. In accordance with state law, the major functions established by the Maryland Higher Education Commission shall conform generally to those contained in the current Industry Audit Guide, "Audits of Colleges and Universities," issued by the American Institute of Certified Public Accountants.
 - 2. The Capital Budget of the College, including the College's long-term capital improvements program, will be prepared in accordance with county fiscal procedures not inconsistent with state law.
- B. The President of the College is responsible for preventing the overspending of appropriations contained in all College budgets. The Vice President of Finance/Chief Financial Officer is responsible to the President for establishing and implementing a financial control system to provide for the management and control of appropriations contained in all College budgets and for developing and maintaining written procedures and guidelines for use by the Office of Business Services in administering the fiscal matters of the College.
- C. The President of the College is responsible for preventing the over-encumbrance of the number of authorized regular positions. Any increase or decrease in the number of regular positions must be approved by the Board of Trustees. The movement of positions between organizational units of the College must be authorized by the President. The Senior Vice President for Administrative and Fiscal Services is responsible to the President for establishing and implementing a position control system and for providing that an authorized position exists for each newly hired person.
- D. In accordance with state law, the Montgomery County Council is responsible for making appropriations to each project within the College Capital Budget, to the College debt service requirement, and to the major functions of the current operating fund (Operating Budget) and the special funds.
- E. Supplemental and emergency appropriations for the College Capital Budget, and for the major functions of the current operating fund and the special funds, must be approved by the Board of Trustees, subject to such other approvals as are required by law.

- F. Movements of funds between the major functions of the current operating fund and the special funds are defined as transfers and must be approved by the Board of Trustees. State law requires that these transfers shall be submitted in writing and approved by the County governing body before they are made and, if the County governing body fails to act on a request for a transfer within 30 days, the request is automatically approved as requested.
- G. Movements of funds between objects within a major function of the current operating fund and the special funds shall be approved by the President or designee. These modifications are defined as redistributions.

II. Revenue

- A. The President, or designee, is authorized to receive all monies for College accounts and to provide for the establishment of procedures for the receipt, recordation and accounting of such monies. The Vice President of Finance/Chief Financial Officer has been authorized by the President to receive all monies for College accounts and is responsible to the President for establishing and implementing procedures for the receipt, recordation, and accounting of such monies.

- B. Major Revenue

Section 16-403 of the Education Article of the Annotated Code of Maryland, provides that the major sources of revenue for the budgets shall be the State, County, and tuition and fees paid by students. Adoption of the budgets for each fiscal year with their estimates of revenue to be acquired from the foregoing major sources, provides the authority for the President, or the President's designee(s) to receive and deposit funds from such sources in appropriate College accounts, without further specific Board action.

- C. Investment Revenue

The Board of Trustees, by resolutions 70-101 (7/21/70), 72-30 (2/21/72), and 73-150 (9/17/73) has authorized the President to obtain additional revenue by investing unused funds of the College in fully insured securities as specified by State law. Adoption of the College budgets for each fiscal year with their estimates of revenue to be acquired from interest provides the authority for the President or the President's designee(s) to receive and deposit such funds in appropriate College accounts, without further specific Board action.

- D. Mixed Revenue and Receipts

- 1. Definition

"Mixed revenue and receipts" is defined as that received from all sources other than those specified in sub-paragraphs B and C above. Such revenue includes:

- a. Grants from agencies of the Federal, State, or local

- governments.
- b. Income from the sales of goods and services associated with auxiliary enterprises.
- c. Fees and charges received by Workforce Development & Continuing Education.
- d. Parking fines.
- e. Funds donated for scholarships or student financial aid.
- f. Outright cash gifts for purposes other than scholarships or student financial aid.
- g. Funds received for which the College acts merely as a fiscal agent with or without reimbursement for administrative services.
- h. Receipts from the sale of Board property.
- i. Royalties or receipts derived from the sale or rental of materials copyrighted in the name of the College.

2. Grants from Governmental Agencies

- a. The President or the President's designee(s) is authorized, without prior reference to the Board of Trustees, to negotiate for, receive, and deposit into appropriate accounts grants from agencies of the Federal, State, or local governments provided that no matching funds are required from the College or that matching funds in the required amount have been authorized by the Board in the College's Operating Budget document for the applicable fiscal year.
- b. In those cases in which negotiations authorized by the President or the President's designee(s) indicate to the President the desirability of applying for a grant from an agency of the Federal, State, or local government and any required matching funds have not been specifically included in the applicable Board-approved Operating Budget document, the President will prepare an appropriate resolution for the Board of Trustees. The memorandum containing the resolution will relate the relevant facts pertaining to the grant and will include recommendations pertaining to the movement of monies necessary for the establishment of the required matching funds.
- c. This policy applies to all grants and cooperative agreements which place an obligation on Montgomery College. In most cases, this involves a formal agreement in which Montgomery College agrees to conduct or perform certain activities and the grantor provides funds, equipment, materials, and/or services that Montgomery College agrees to manage according to its policies and procedures.
- d. Montgomery College, rather than an individual or department, is the legal recipient of grants and cooperative agreements. As such, the President or the President's designee is the sole authorized certifying official for submission and acceptance of grants and cooperative agreements for Montgomery College.

Equipment purchases from grants or cooperative agreements become the property of Montgomery College unless otherwise agreed upon.

3. Auxiliary Enterprises Receipts

The President or the President's designee(s), without prior reference to the Board of Trustees, is authorized to receive and deposit into the appropriate accounts all revenue from the sales of goods and services associated with the College's auxiliary enterprises.

4. Workforce Development & Continuing Education Receipts

Workforce Development & Continuing Education receives specified supporting funds from the State, tuition and fees from students enrolled in noncredit courses offered by Workforce Development & Continuing Education, and fees for services rendered to the community. Adoption of the Operating Budget document each year by the Board of Trustees, with its inclusion of forecast Workforce Development & Continuing Education's revenues, provides the authority for the President or the President's designee(s) to receive and deposit such revenues in the appropriate accounts without further specific Board action.

5. Parking Fines

In accordance with College policy on vehicle registration and parking, the President is authorized to establish methods for collecting fines for parking violations on College property. The President or designee, without prior reference to the Board of Trustees, is authorized to receive these fines and to deposit them in appropriate accounts.

6. Scholarships, Student Financial Aid, and Other Cash Gifts

Without prior reference to the Board of Trustees, the President or the President's designee(s) is authorized to receive and deposit to appropriate accounts those funds which are donated to the College for scholarships, student financial aid, or other authorized purposes provided that any matching funds required have been specifically included in the Board-adopted College Operating Budget document. Where any required matching funds have not been included in the budget document, the procedure in paragraph 2. b. will be followed.

7. Receipts as Fiscal Agency

In numerous instances, Federal or State regulations or laws require that educational institutions serve in effect as fiscal agents for the payment of services rendered by employees of the institution to Federal or State agencies. In such cases, when considered desirable by the President, he/she or a designee(s) is authorized to contract with the governmental agency and to receive and deposit the relevant monies in the appropriate accounts of the College. In other instances, College contracts with

business firms --such as that for student insurance, employee life insurance, and the College's supplementary retirement plan --require that the College collect monies and forward them to the other party to the contract. The President or the President's designee(s) is also authorized to receive these monies and to deposit them in the appropriate accounts.

8. Sale or Lease of Board Property

- a. The sale of Board-owned personal property is governed by College policies and procedures on "Procurement - Equipment Management."
- b. The copyright policy of the Board of Trustees authorizes the President, without prior reference to the Board of Trustees, to receive and to deposit in a College revenue account those funds which accrue to the College:
 - (1) From the sale of published or unpublished literary or other materials in which the Board of Trustees owns the copyright rights, or
 - (2) From the licensing of others to publish or use such literary or other materials.

III. Expenditures

- A. The College President is authorized to expend the revenues described above for the purposes for which they are intended. Revenues received can only be expended for the purpose intended by the revenue granting authority.
- B. Only the President of the College, as Secretary-Treasurer of the Board of Trustees, the Senior Vice President for Administrative and Fiscal Services, the Vice President of Finance/Chief Financial Officer, and the Associate Chief Business Officer acting for the Vice President of Finance/Chief Financial Officer are authorized to sign checks drawn on College accounts.

C. Reports

To apprise the Board of Trustees of the status of the Operating Budget, the College President will provide the Board with the reports indicated below:

- 1. Approved budget for revenue and other sources of funding compared to projected revenue through end of fiscal year.
- 2. Approved budget for expenditures and transfers compared to projected expenditures and transfers through the end of fiscal year.
- 3. Summary of investments outstanding and investment revenue earned year-to-date.
- 4. Summary of Workforce Development & Continuing Education's revenues

and expenditures year-to-date.

5. Summary of Auxiliary Services revenues and expenditures (unadjusted for inventories) year-to-date.

6. Sale or Lease of Board Property

The status of receipts from the sale or lease of Board property, including receipt of monies for the sale of licensing of copyrights owned by the Board, will be reported to the Board after the end of each fiscal year.

IV. Capital Fund

A. Movement of Funds

1. There shall be no movement of funds between the capital and any other fund of the College.
2. There shall be no movement of funds between projects authorized in the Capital Budget, except as provided by county fiscal procedures governing such transactions.
3. The Senior Vice President for Administrative and Fiscal Services must approve the movement of funds between cost element account categories (Design, Land, Site, Construction, and Other/F&E) within an authorized project when the funds are \$25,000 or more.
4. The Vice President of Facilities and Security (primary account manager for the capital fund) is authorized to approve the movement of funds between cost element account categories (Design, Land, Site, Construction, and Other/F&E) within an authorized project when the funds are less than \$25,000.
5. The Vice President of Facilities and Security (primary account manager for the capital fund) may approve the movement of funds within a cost element account category (Design, Land, Site, Construction, and Other/F&E) of an authorized project.

B. Management and Expenditure of Funds

1. General

- a. The management and the expenditure of funds within the capital fund shall be governed by the same College policies and procedures which govern the management and expenditure of funds within the operating fund, except as specifically provided in this policy on fiscal control.
- b. No money will be spent, or work begun, on any capital project until appropriate state and county approvals are received by the College and necessary contracts are properly executed.

- c. Notification will be provided promptly to the county of all state actions to approve or disapprove all or part of College capital projects.
- d. The President recommends and the Board of Trustees approves the overall budget for each project in the capital fund. No additional approvals by the Board of Trustees are required in order to expend or use capital funds except as provided for in this policy on fiscal control and in Board policies and procedures regarding procurement.

2. Land

The purchase of land and the expenditure of funds therefore must be approved by the Board of Trustees.

3. Consultant Services

- a. Consultant services in the capital fund will be procured subject to Board policies and authorized procedures regarding procurement for professional services.
- b. Consultant contract budgets for projects in the capital fund include all necessary funds to complete the project. This includes supplemental design services and reimbursable expenses as defined in the contract documents. Supplemental design services must be authorized in writing by the Vice President of Facilities and Security. Allowable reimbursable expenses are defined in the contract documents and may be approved by an account manager, provided that documentation of the expenses is provided.
- c. Consultant fees for changes in scope (items not covered under the supplemental services clause of the consultant contract), which result in the execution of a contract modification agreement, must be approved by the Board of Trustees if they meet or exceed 10% of the original contract award. The Senior Vice President for Administrative and Fiscal Services may approve contract modifications of less than 10% of the original contract award and will discuss any extraordinary requests with the President. Information will be provided to the Board through normal status updates as appropriate.
- d. Consultant services will not begin until an appropriate contract is authorized and executed pursuant to this policy.

4. Construction and Procurement

- a. Capital construction and the purchase of furniture, equipment, and other products for authorized capital projects is subject to

Board policies and authorized procedures regarding procurement. All formal bidding will be conducted in accordance with Board policy and will be in accord with applicable state law and regulations.

- b. No capital construction, or purchases for capital construction, is authorized until appropriate state and county approvals are secured, authorized contracts and purchase orders are executed, and the requirements of all Board policies and approved procedures are met.

C. Changes to a Construction Contract

Each project budget, as approved by the Board of Trustees in the capital fund, includes all construction contingency expenses including change orders. As such, construction change orders do not require Board approval except as noted below.

1. A change request which will alter the scope of the project must be approved by the Board of Trustees and appropriate state and county agencies, as required.
2. Change requests which will increase the cost of a construction project will be processed in accordance with the policies herein and applicable state and county regulations.
3. A change request which will increase the cost of a construction contract after its last approval by the Board of Trustees (including the original contract and any changes previously approved by the Board of Trustees) by \$250,000 or more must be approved by the Board of Trustees. The request for approval to the Board must identify all changes approved to the contract since the Board's last approval, together with the specific change for which approval is requested.
4. A time extension of more than 30 days to a construction contract completion date must be approved by the President (or designee).
5. A time extension of 30 days or less to a general construction contract completion date may be approved by the Vice President of Facilities and Security.
6. All change requests which will increase the cost of a construction contract by less than \$250,000 must be authorized by the President or designee. In addition, for every construction contract approved by the Board of Trustees, there must be provided to the Board of Trustees a report that contains the original contract amount, all changes approved by the Board of Trustees as of the date of the report and all changes approved for the construction contract since the last approval of the Board of Trustees (of either the original contract or changes to the construction contract) at least every three months after the last approval of the Board of Trustees.

7. A change required to eliminate an imminent personal or property safety hazard may be approved by the Facilities Office representative on the site. Verbal notice must be given to all responsible administrators immediately following the action of the on-site representative. A written report of this change must be submitted to the Vice President of Facilities and Security within 48 hours after the change is initiated.

D. Reduction of Contractor's Retained Percentage

A reduction in the percentage of retainage specified by the bid documents may be authorized by the Vice President of Facilities and Security when all of the requirements specified by the bid documents have been fulfilled.

E. Assessment of Liquidated Damages

When such damages are provided for in the contract, liquidated damages may be assessed by the Board of Trustees against a general construction contractor who fails to meet the specified general construction contract completion date and who has not been granted a time extension.

F. Final Payment of Construction Contracts

Final payment to contractors for construction and site improvements projects is authorized by the Vice President of Facilities and Security, subsequent to (a) the receipt of certification from the architect/engineer and/or the Director of Project Management that the contractor has completed the work in accordance with all plans and specifications and that all contract requirements have been met and (b) the receipt of any other certifications required by law.

G. Closing Capital Projects

Projects that are completed and for which the warranty has expired; projects that are completed and for which all funds are depleted; and projects that are funded but are no longer considered essential are omitted from the College's proposed Capital Improvements Program (CIP) which is submitted to the County in September of each year. Each May, the County Council re-appropriates funds for each individual project contained in the CIP. Those projects which have been omitted from the CIP are closed automatically and the balance in each project account is reduced to zero.

H. Board of Trustees Authorized Signatory for State Reimbursement Requests

The Senior Vice President for Administrative and Fiscal Services is authorized to sign Certificate of Project Expenditure forms ("CPEs") to request state reimbursement to the county on state-funded capital projects, after certification from the Vice President of Facilities & Security that the local funds have been expended as indicated.

I. Capital Budget Minority Business Utilization Program

1. The College shall establish a minority business utilization program to facilitate the participation of responsible certified minority business enterprises in contracts awarded by the Board of Trustees in accordance with competitive bidding requirements. The procedures shall be structured with the result that minority businesses are awarded a fair share of the awards made through the Capital Budget; however, nothing shall be construed as authorizing awards that are fiscally disadvantageous to the College or that confer any special privilege or status upon any minority business or group or individual representing a minority business.

2. Definitions

For the purposes of this policy, the definitions of "minority business enterprise" and "minority individual" shall be those as stated in sections II-148(a), (3), and (4) of the State Finance and Procurement Article of the Annotated Code of Maryland.

Board Approval: May 21, 1984; February 17, 1987; July 20, 1987; May 16, 1988; March 20, 1989; October 7, 1992; March 16, 1993; February 3, 2001 (*changes in administrative and organizational titles only*); August 8, 2008 (*changes in administrative and organizational titles only*), March 19, 2012, September 23, 2013

Chapter: Fiscal and Administrative Affairs

Modification No. 012

Subject: **Fiscal Control**

I. Budget Control

The Vice President of Finance/Chief Financial Officer will make adjustments to current fund budgets after County Council review of budgets authorized by Title 16 of the Annotated Code of Maryland and after action by the Board of Trustees.

II. Account Managers

- A. The Vice President of Finance/Chief Financial Officer shall designate primary account managers. In cases where funding pertains to new programs or to elements of the College which have been reorganized, the Vice President of Finance/Chief Financial Officer will consult with the Senior Vice President for Administrative and Fiscal Services prior to designating the related primary account manager.
- B. The primary account managers will be responsible for the solvency of programs from the organization of budgetary requests, as a part of the budget development process, to the consummation of expenditures during the life of the appropriation. Primary account managers examine the incurrence of expenditures permitted under budget allocations so as to maximize use of the funds and avoid overruns. Movement of funds into or out of an account shall be supported by appropriate written justification. All expenditures must be supported by documentary evidence.
- C. The primary account managers may recommend to the Vice President of Finance/Chief Financial Officer the designation of secondary account managers to assist in the control and administration of programs except for authorization and approval of movement of money.
- D. Secondary account managers will maintain ancillary records and documents on their activities except those which are required to be sent to the Vice President of Finance/Chief Financial Officer for the purpose of making disbursements or maintaining formal accounting records. Secondary account managers will be held accountable for the prudent management of funds allocated to them.
- E. All fiscally related activities of primary and secondary account managers will be subject to audit.

III. Additions or Movement of Positions

- A. Requests for additional regular positions must be acted on by the Board of Trustees.
- B. Additional temporary positions may be established by the Senior Vice President for Administrative & Fiscal Services.
- C. Final approval for the movement of positions between organizational units must

be approved by the President, in accordance with Board policy.

IV. Movement of Funds; Supplemental or Emergency Appropriations

- A. Movement of funds between functions exceeding appropriations authority (transfers) and/or supplemental or emergency appropriations must be approved by the Board of Trustees and the County Council.
- B. Funds may be moved within objects or between objects of expenditures only with appropriate approval. Such changes may be requested by an account manager by memorandum to the Chief Budget and Management Studies Officer.
- C. The Chief Budget and Management Studies Officer is authorized to approve all requests for movements of funds within objects of expenditure (reassignments) or between objects of expenditure (redistributions) of less than \$25,000 and will discuss extraordinary requests with the Senior Vice President for Administrative and Fiscal Services.
- D. The Senior Vice President for Administrative and Fiscal Services is authorized to approve all requests for movements of funds within or between objects of expenditure of \$25,000 or more and will discuss extraordinary requests with the President.
- E. The Senior Vice President for Administrative and Fiscal Services is authorized to approve all requests for movement of funds out of restricted accounts, except that the Chief Budget and Management Studies Officer may approve such requests for the Operating Budget (1110) when (1) the sole purpose of the transaction is to "balance out" an approved cross function transaction, and (2) the net effect of the transaction is zero.

V. Honoraria

- A. For the purpose of Montgomery College, an "honorarium" may take one of two forms:
 - 1. When professionals do not donate their services to the College, an "honorarium" is granted as payment for professional service on which custom and/or propriety forbid that a price be set. As a general rule, such an honorarium will amount to less than what the professional could or does earn from performing the same or related services elsewhere on a full-time basis, or from the professional's actual occupation. As such, the honorarium is regarded as a token of gratitude from the College for the service that has been performed.
 - 2. An honorarium may also be defined as payment for a professional non-specialized service for which regular fees have been established. Examples of such honoraria are fees charged by models or accompanists for professional service they have rendered to the College.
- B. No one employed by the College, full-time or part-time, may be paid an

honorarium by the College while that person is on the payroll of the College. Under no circumstances will an honorarium be paid to a person who holds or is a candidate for public elected office in the State of Maryland.

- C. For the purpose of enriching the total programs of the College, professionals, not in the employ of the College, may be retained, on a one-time, short-term, or intermittent basis as lecturers, speakers, models, artists, accompanists, performers, discussion leaders, exhibitors, actors, or in other professional capacities. Such professionals may be retained for credit programs, noncredit programs, or events or programs which are designed with the primary interest of the community-at-large in focus.
- D. Requests for approval of the use of outside professionals are submitted in writing through supervisory channels, including the account manager. The account manager's initial on the request signify the approval of the use of budgeted funds for the purpose stated. In order to effect payment, the account manager provides the Vice President of Finance/Chief Financial Officer with sufficient information about the recipient of the honorarium, in order that payment may be effected.

VI. Petty Cash

A. Purpose, Limitations, and Responsibility

- 1. The primary purpose of petty cash funds is to have cash on hand to pay small bills and to furnish change.
- 2. Petty cash funds may be used only when necessary in the conduct of College business and authorized by designated College officials.
- 3. Primary responsibility for petty cash funds is vested with the faculty members, staff person, or administrator who is given custodianship of the money. That responsibility includes, but is not restricted to, the following:
 - a. Location and security of money
 - b. Documentation for expenditures
 - c. Accuracy of records and accounting for the fund
 - d. Reimbursing the College for losses resulting from failure to act as a normal and prudent person in the care and handling of cash

B. Establishment or Increase of a Petty Cash Fund

- 1. Establishment or increase of a petty cash fund may be requested by completing Section I of Petty Cash Request Form (MC 7.249b) which consists of four copies. Each petty cash form is divided into three (3) sections which are titled, "Request," "Approval," and "Account Number." The requester should forward the original and one copy to the Vice President of Finance/Chief Financial Officer with the remaining copies retained by the requester.
- 2. After due consideration, the Vice President of Finance/Chief Financial

Officer will approve or disapprove the request. The Director of Auxiliary Services is empowered to authorize the establishment of petty cash funds for Auxiliary Services. Approval is indicated by signing and dating in the designated space in Section II of MC Form 7249b.

3. If approved, the Office of Business Services will schedule issuance of a check to the requester in the amount approved. The "Finance" copy of the form will be retained as documentation for the issuance of the check and the check will be forwarded to the requester along with a copy of the form. The check must be cashed by a commercial bank and not by a campus cashier.
4. If disapproved, the Vice President of Finance/Chief Financial Officer will so note across the face of the form and return the form to the requester.

C. Petty Cash Advances

1. The campus cashier is authorized to advance up to \$25.00 in petty cash funds per day to individuals identifiable as College personnel for the purpose of obtaining supplies of a perishable or emergency nature necessary for College programs.
2. College personnel are defined as faculty, staff and administrators who have been authorized by account managers to receive advance money. Student employees are not authorized to receive petty cash advances.
3. Account manager authorization will be in the form of an original signature memorandum to the cashier from the account manager which lists those employees who are authorized to receive petty cash advances. Advances will only be made to those specific individuals whose name appears on such an authorization memorandum.
4. The individual receiving the petty cash advance will present identification and will sign a petty cash receipt, as having received the funds. The individual will indicate on the receipt the purpose for which the funds will be spent. The petty cash receipt will be marked with the notation "Petty Cash Advances."
5. The petty cash recipient will be informed by the cashier that cash and/or receipts totaling the advance must be returned to the cashier within two (2) work days of the advance. Receipts returned must bear an authorized account manager's signature and account number.
6. No additional petty cash advances will be made to individuals having outstanding petty cash advances totaling \$50.00 or more.
7. The cashier will promptly notify the Associate Chief Business Officer or Vice President of Finance/Chief Financial Officer of (1) any petty cash advance which remains outstanding for more than two workdays and (2) any perceived abuses of the petty cash advance procedure (e.g. entire amount of petty cash advance is returned in cash with no reasonable explanation).

D. Petty Cash Reimbursements

1. Petty cash reimbursements can be made for a purchase or purchases that do not exceed a single vendor purchase of \$50.00 per day.
2. For those individuals identifiable as College personnel, who do not have an individual petty cash fund, reimbursement can be obtained at the campus cashier's office when original receipts, with the account manager's signature and account number are presented.
3. Individual petty cash custodians must maintain original receipts, with the account manager's signature and account number for each purchase. On a regular and timely basis these petty cash purchases will be submitted to the Office of Business Services for reimbursement with the Petty Cash Fund Reconciliation and Reimbursement Request Form (MC 7.249d).

E. Elimination of or Decrease in a Petty Cash Fund (Return of Cash)

1. Elimination of or decrease in a petty cash fund may be effected by depositing all or part of the petty cash with a campus cashier, who will accept the money and issue a receipt for same. It is the responsibility of the custodian of the money to furnish to the campus cashier the correct account number to which the money is to be credited by completing Section I of Return of Petty Cash Form (MC 7.249c).

Each copy consists of two sections. Section I must be completed by the petty cash custodian and Section II must be completed by the campus cashier.

2. At the time the money is deposited by the petty cash custodian with the campus cashier, the campus cashier will prepare a receipt and complete Section II of MC Form 7.249c.
3. The campus cashier will forward the original and one copy of this form to the Vice President of Finance/Chief Financial Officer and return one copy to the petty cash custodian.

F. Reconciliation

1. The petty cash custodian will reconcile the petty cash funds by completing Section I of Petty Cash Fund Reconciliation and Reimbursement Request Form (MC 7.249d), at the following times:
 - a. The last day of each month
 - b. When reimbursement is requested
 - c. When a petty cash fund increase is requested
 - d. When a petty cash fund is decreased or eliminated
 - e. When requested by the Vice President of Finance/Chief Financial Officer
2. MC Form 7.249d contains Section I - Reconciliation, and Section II - Reimbursement Request, both of which must be completed by the petty cash custodian. It consists of two copies which are:
 - a. Original - Finance

b. Copy #1 - Petty Cash Custodian

In all cases, the petty cash custodian retains the "Petty Cash Custodian" copy. The original is forward to the Office of Business Services except when a petty cash fund increase or decrease is requested. In the case of an increase, the original should be attached to MC Form 7.249b and forwarded to the Office of Business Services through the channels specified for MC Form 7.249b. In the case of a decrease, the original should be attached to MC Form 7.249c and forwarded through the channels specified for MC Form 7.249c.

G. Auditing

1. All funds of the College, including petty cash funds, are subject to audit.
2. It is the responsibility of the Chief Budget and Management Studies Officer to periodically audit petty cash funds to ensure: compliance with these procedures; that the money is being used for the purposes for which it was issued; that sufficient and proper documentation is on file for all expenditures; and that the petty cash is in the physical location specified on MC Form 7.249b.

H. Supply of Forms

The three forms needed for the documentation associated with the implementation of these procedures are stocked in the Office of Business Services and may be obtained upon request. The form numbers and titles are:

1. 7.249b - Petty Cash Request
2. 7.249c - Return of Petty Cash
3. 7.249d - Petty Cash Fund Reconciliation and Reimbursement Request

VII. Capital FundA. Contracts

In accordance with the policy on fiscal control, Section 61001, IV, Capital Fund, the President has designated the Senior Vice President for Administrative and Fiscal Services as approval authority for specified changes in consultant contracts and general construction contracts.

B. Dollar Level Approval Authority for Release of Final Payment on Construction Projects

1. Capital Construction Projects over \$1,000,000: President
Examples of typical projects - New Buildings and Major Renovations
GITE Construction
Fine Arts Renovation
HTIC Construction
2. Capital Construction Projects between \$300,000 to \$999,999: Senior

Vice President for Administrative and Fiscal Services

Examples of typical projects - Central Plant Distribution System
Parking Lot Resurfacing (Lots 5-9)
Inner Campus Lighting Replacement

2. Capital Construction Projects under \$300,000: Chief Facilities Officer
Examples of typical projects - Roof Replacement
Greenhouse Construction
Underground Fuel Tank Replacement
Concrete Replacement
4. Construction is defined as those projects funded as "construction" or "site improvements" in the County's Capital Improvements Program.

C. Capital Budget Minority Business Utilization Program

1. The Chief Facilities Officer shall encourage by all reasonable and practical means the participation of minority and disadvantaged businesses in projects funded from the Capital Budget of the College.
2. Contractors, architects, engineers, and other consultants, as well as vendors solicited for Capital Budget planning, design and construction projects shall be encouraged to identify themselves to the College as minority or disadvantaged entities.
3. Facilities Office procurements are processed through the College's Procurement Office and as such fall under the procurement procedures related to procurement from minority businesses, as follows:
 - a. The Director of Procurement shall encourage by all reasonable and practical means the participation of minority and disadvantaged businesses in the procurement process of the College.
 - 1) Minority vendor certification lists shall be maintained in the Procurement Office and shall be updated periodically. These lists will be assembled by the State or a local government agency with resources devoted to the purpose of certifying businesses as minority enterprises.
 - 2) Certified minority vendors will be solicited for quotes, bids and proposals whenever possible.
 - 3) Vendors shall be encouraged to identify themselves to the College as minority or disadvantaged entities.
 - 4) The Director of Procurement shall participate in activities which encourage, stimulate and assist minority businesses in the procurement process at the College. These efforts may be within the College or cooperative

efforts with other state and local agencies.

- b. The Director of Procurement shall attempt to achieve the target of minority business participation of 15 percent of the total dollars awarded through the procurement process.
- c. The Director of Procurement shall report to the President annually the total number and value of the College's purchases from minority business enterprises, and the percentage which these purchases represent of the total dollars expended during the fiscal year.

VIII. Financial Data Transactions

The Vice President of Finance/Chief Financial Officer, under the direction of the Senior Vice President for Administrative and Fiscal Services, is responsible for ensuring the privacy, security and confidentiality of personally identifiable financial records and information related to financial transactions.

- A. The Vice President of Finance/Chief Financial Officer shall implement a program to protect the privacy, security and confidentiality of personally identifiable information related to financial transactions which is compliant with all state and federal regulations and laws, as well as to prevent, detect and mitigate identity theft related to financial transactions.
 - 1. The program and accompanying procedures or standards shall cover all personally identifiable financial records and information regardless of where it resides as well as the personally identifiable information associated with covered accounts as defined by the Fair and Accurate Credit Transactions Act (FACTA) of 2003. This will include the creation of a "Montgomery College Identity Theft Program" which will meet the requirements of FACTA, if applicable.
 - 2. A program and procedures or standards shall be established which implements and maintains information security protecting the integrity of all records created and maintained by the College as a "financial institution" as defined under Graham Leach Bliley Act (GLBA).
 - 3. Credit card processing procedures or standards shall be implemented to protect the fiscal integrity of the College that comply with relevant laws and regulations, adhere to best business practices, as well as meeting requirements set for the in the Payment Card Industry Data Security Standards (PCI DSS).
 - 4. The program shall include collaborative input and resources from the Office of Information Technology to assure technological and regulatory compliance as necessary, including but not limited to creation of standards, risk assessment, information security and assisting departments in complying with the program.

Administrative Approval: May 21, 1984; September 22, 1989; September 26, 1989; April 26, 1991; March 31, 1993; September 7, 1993; June 28, 2000; July 29, 2002; January 14, 2003; August 8, 2008 (*changes in administrative and organizational titles only*); February 25, 2011; September 23, 2013 (*changes in administrative and organizational titles only*).

Chapter: Fiscal and Administrative Affairs

Modification No. 002

Subject: **Revolving Funds**

The Board of Trustees must approve the establishment of any revolving fund. The President will prepare a resolution for Board of Trustees consideration which indicates the specific purpose(s) of the revolving fund proposed. Notwithstanding the provision of any other Board policy and unless specifically authorized otherwise by the Board of Trustees, the interest earned shall accrue to the respective revolving funds and may be expended for the same purpose(s) for which the fund was established.

Board Approval: May 21, 1984; September 19, 1988.

Chapter: Fiscal and Administrative Affairs

Modification No. 002

Subject: **Bank Services**

- I. The College opens bank accounts as needed to support operations. Bank accounts in this policy are limited to those of the College and not its related foundations. Merchant accounts used to accept credit/debit card payments are also included in this policy.
- II. The Board of Trustees must approve the bank which provides the College with primary banking services and in which the College will deposit money received at least once every five years, unless the Board grants an exception to this timeline.
- III. Only designated individuals within Administrative and Fiscal Services are authorized to select banking partners, approve, open, make changes to, and close bank accounts in the name of the College, needed to support operations of the College.
- IV. Those serving in the positions identified below are authorized to sign checks drawn on College accounts. Any delegation to a College employee serving in another position of the College requires a written delegation for this authority that is time bound:
 - A. College President-as Secretary-Treasurer of the Board of Trustees
 - B. Senior Vice President for Administrative and Fiscal Services
 - C. Chief Business Officer
 - D. Director of Finance
- IV. Except as noted in section IV above, no individual, school, department, institute, foundation, center, subunit, group or organization associated with or affiliated with the College is authorized to open a commercial or retail bank account in or using the College's name, identification, or tax information.
- V. The Board of Trustees authorizes the president to establish any procedures necessary to implement this policy.

Board Approval: January 21, 1985; March 17, 2025.

Chapter: Fiscal and Administrative Affairs

Modification No. 004

Subject: **Bank Services**

- I. Upon request from the President or the Board of Trustees, a report on banking services will be compiled to provide insight on the number and purpose of accounts, transactional and dollar volume, and other pertinent information in order to convey the sufficiency and quality of banking services.
- II. Bank accounts will be reconciled monthly to the College's general ledger to ensure the timely posting of income and expense activity.
- III. At least once every five years, a contract award recommendation will be presented to the Board of Trustees for their approval to either retain the current banking services for a defined period of time or to award a contract to a new or recurring bank procured either through a competitive Request for Proposal (RFP) process or Procurement Through Other Agency

Administrative Approval: January 22, 1985; January 10, 2003, August 13, 2010; January 22, 2025.

Chapter: Fiscal and Administrative Affairs

Modification No. 007

Subject: **College Investment Program**

I. Policy

It is the policy of Montgomery Community College (hereinafter referred to as "the College") to invest its funds in a manner which will conform to all State of Maryland investment statutes while meeting the daily cash flow demands of the College. The Vice President of Finance/Chief Financial Officer (or designee) is authorized to invest such funds, until the time they will be needed, in such securities as are indicated in these guidelines.

II. Scope

This investment policy applies to all financial assets of the College. These funds are accounted for in the College's Annual Financial Report and include:

- A. General Funds
- B. Enterprise Funds
- C. Federal Loan Funds
- D. Plant Renewal & Replacement Funds
- E. Agency Funds
- F. Emergency Plant Maintenance Funds
- G. Any Approved New Fund(s)

This policy does not cover the financial assets of the Montgomery College Foundation. There is a separate investment policy and Investment Committee that governs these assets. The specific investment guidelines for the Aetna Retirement Plan are included as schedule A of this policy and a glossary of terms at Appendix I is also made part of this policy.

III. Committee on College Investments and Bank Selection

- A. A Committee on College Investments and Bank Selection will be established which will have the responsibility of reviewing the performance of the investment portfolio, establishing overall investment procedures and reviewing recommendations and actions of the College staff in making investments. The committee will be advisory to the Senior Vice president for Administrative and Fiscal Services in order to assist in assuring that investments are made competitively and objectively, using technical criteria consistent with College policy, and that banks are selected in a manner that best serves the College and public interest.
- B. The committee will also provide the Senior Vice President with advice concerning investments related to the Aetna Retirement Plan.
- C. The committee will consist of the Senior Vice President for Administrative and Fiscal Services (who will serve as secretary of the committee), a representative of the Montgomery County Government Finance office, and two or more members of the community having no conflict of interest in College investments,

and selected by the Senior Vice President for Administrative and Fiscal Services in consultation with the College President. The committee will select its own chairperson. The term of office for the members from outside the College shall be two years, but an individual may be appointed to successive terms. The College's Vice President of Finance/Chief Financial Officer will serve as an ex-officio resource member of the committee.

- D. The Committee will meet at least twice a year to review the investment portfolio report. A periodic report on investments will be presented to the Board through the Senior Vice President for Administrative and Fiscal Services and the College President.
- E. The President is authorized to establish procedures to implement this policy

Board Approval: May 21, 1984; March 24, 1986; July 17, 1989, effective July 1, 1989; July 19, 1993; October 16, 1995; January 22, 2002; June 18, 2012.

Chapter: Fiscal and Administrative Affairs

Modification No. 003

Subject: **College Investment Program**

I. Derivatives and Leverage

It is the policy of the College not to invest in Derivatives, a financial contract whose value derives from the value of underlying stocks, bonds, currencies, commodities, etc. The College may not borrow funds for the express purpose of reinvesting these funds, otherwise known as leveraging.

II. Prudence

Investments shall be made with judgement and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment Officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

III. Objectives

The primary objectives, in priority order, of the College's investment activities shall be:

- A. Safety: Safety of principal is the foremost objective of the investment program. Investments of the College shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification, third party collateralization and safekeeping, and delivery versus payment will be required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- B. Liquidity: The College's investment portfolio will remain sufficiently liquid to enable the College to meet all operating requirements which might be reasonably anticipated.
- C. Return on Investment: The College's investment program shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles commensurate with the College's investment risk constraints and the cash flow characteristics of the portfolio.

IV. Delegation of Authority

- A. Authority to manage the College's investment program is granted to the Vice President of Finance/Chief Financial Officer or designee as derived from the following: Article 95, 22F, Annotated Code of Maryland and State Finance and Procurement Article, 6-222, Annotated Code of Maryland.

- B. The Vice President of Finance/Chief Financial Officer shall develop and maintain written administrative procedures for the operation of this investment program, consistent with this investment policy. Such procedures shall include:
1. Explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Vice President of Finance/Chief Financial Officer.
 2. Procedures should include reference to safekeeping, master repurchase agreements, wire transfer agreements, collateral/depository agreements, and banking service contracts.
 3. The Vice President of Finance/Chief Financial Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

V. Ethics and Conflicts of Interest

Officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or that could impair their ability to make impartial investment decisions. The Vice President of Finance/Chief Financial Officer or designee shall disclose any material financial interests in financial institutions with which they conduct personal business. They shall further disclose any large personal financial investment positions that could be related to the performance of the College's investment portfolio, particularly with regard to the timing of purchases and sales. The Vice President of Finance/Chief Financial Officer or designee shall not undertake personal investment transactions with the same individual with whom business is conducted on behalf of the College.

On an annual basis College officials and employees involved in the investment process shall submit to the Senior Vice President for Administrative and Fiscal Services a certification that they are in compliance with Section VIII of this procedure.

VI. Authorized Financial Dealers and Institutions

The College shall establish and maintain a listing of financial institutions and broker/dealers which are authorized and approved by the Vice President of Finance/Chief Financial Officer to provide investment services to the College for the purchase of short term investments. Also, the Committee on College Investments and Bank Selection, through oversight and review will provide guidance and advice on the approved list. The following is a breakdown of the types of institutions authorized by this policy to handle investment transactions with the College:

A. Primary Government Dealers:

The Federal Reserve Bank of New York designates primary government dealers in government securities. The College can purchase all authorized and suitable investments as listed in Section VII of this procedure, except for certificates of deposit, from primary government dealers who qualify under Securities and Exchange Commission Rule 15C3-1. Repurchase agreements (repos) entered into by the College will be with primary government dealers with the exception of

any repos executed with the College's lead depository bank.

B. Other Security Dealers:

The College may purchase U.S. Government securities, U.S. Government agency securities and Bankers Acceptances from dealers other than primary government dealers and from dealer banks which market these securities.

1. All dealers must agree to the College's policy of delivery versus payment as described in Section X of this procedure.
2. The firm, including primary dealers, will be reviewed at least annually to assure that the firm(s) remain on sound financial footing.
3. All dealers and financial institutions will be sent a copy of the College's current investment policy and a list of employees authorized to transact investment trades on behalf of the College. Each dealer and financial institution will be required to respond in writing, that the policy was received, understood and will be adhered to.

C. Commercial Banks

The College can only invest in banks with commercial bank offices located in the State of Maryland (Certificates of Deposit) with the exception of Bankers Acceptances which are discussed in Section VII of this procedure. Commercial banks must have a short term rating of the highest grade from at least two of the National Recognized Statistical Rating Organizations (NRSRO) as designated by the Securities and Exchange Commission (SEC).

D. Money Market Treasury Funds

The fund must be registered with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1940, 15 U.S.C., 80(A) as amended and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940, 17 C. F. R., 270.2A-7 and have received the highest possible rating from at least two NRSROs as designated by the SEC.

The College is also authorized to invest in the Maryland Local Government Investment Pool which functions as a U.S. Treasury Money Market Fund.

VII. Authorized Investment Securities

- A. Any obligation for which the United States pledges its full faith and credit for the payment of principal and interest.
- B. Any obligation that a federal agency or a federal instrumentality issues in accordance with an act of Congress.
- C. Bankers' Acceptances (BA's) of domestic and foreign banks that maintain the highest short term debt rating from one of the NSRSROs as designated by either the SEC or the State Treasurer.
- D. Repurchase Agreements (repos) collateralized in an amount not less than 102%

of the principal amount by an obligation of the United States, its agencies or instrumentalities provided a custodian, other than the seller, holds the collateral.

- E. Certificates of Deposits or Time Deposits of financial institutions that are chartered in the State of Maryland. The deposit must be interest bearing, collateralized at 102% of the market value and held by a custodian, other than the seller.
- F. Money Market Mutual Funds must maintain a net asset value (NAV) of \$1.00 at all times and must provide investors with daily liquidity. The fund must be registered with the SEC and operating under the Investment Company Act of 1940, 15 U.S.C. § 80a-1 et seq., as amended; operated in accordance with Rule 2a-7, of the Investment Company Act of 1940, 17 C.F.R. § 270.2A-7, as amended; and have received the highest possible rating from at least one NRSRO.
- G. Commercial Paper that received the highest letter and numerical rating by at least two NRSROs as designated by the SEC. Split rated commercial paper is not permitted.
- H. Any investment portfolio created under the Maryland Local Government Investment Pool defined under Article 95; Section 22G that is administered by the Office of the State Treasurer.

VIII. Diversification in Authorized and Suitable Investments

The College must diversify to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities.

A. Investment Types and Allowable Portfolio Percentages

<u>Diversification by Investment Type</u>	<u>Maximum % of Portfolio*</u>
1. U.S. Treasury Obligations	100%
2. U.S. Government Agencies	50%
3. Repurchase Agreements	50%
4. Collateralized Certificates of Deposits	25%
5. Bankers Acceptances	50%
6. Maryland Local Government Investment Pool	50%
7. Commercial Paper	5%
8. Money Market Funds	25%
*at time of purchase	

B. Institutional Types and Allowable Portfolio Percentages

<u>Diversification by Institution</u>	<u>Maximum % of Portfolio*</u>
1. Approved Security Dealers	25%
2. Maryland Local Investment Pool	50%
3. Bankers' Acceptances by Issuing Institution	10%

4. Commercial Banks (Certificates of Deposit)	10%
5. Money Market Funds by Fund	25%
6. Commercial Paper	5%
7. U.S. Government Agencies by Agency	20%

*at time of purchase

C. Diversification of Maturities

In order to meet the objectives of the College's investment activities, as listed above in Section V of this policy, the majority of the investments of the College must be on a short-term basis, (up to 12 months). However, a portion of the portfolio may be invested in investments with longer maturities (up to two years) without jeopardizing adequate safety and liquidity standards of the portfolio and at the same time increasing the overall yield of the portfolio. Any investment with a maturity of over 12 months must be approved by the Vice President of Finance/Chief Financial Officer prior to execution.

Reserve funds may be invested in securities exceeding one year if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds.

IX. Collateralization

- A. Collateralization will be required on three types of investments: Certificates of Deposit, Time Deposits and Repurchase Agreements. In order to mitigate market changes and provide an additional level of security for all funds, the collateralization level will be at least 102% of market value of principal and accrued interest.
- B. Collateral will always be held by an independent third party with whom the College has a current custodial agreement or with the Federal Reserve Bank in a segregated account. A clearly marked evidence of ownership (safekeeping receipt) must be supplied and retained by the college.
- C. Acceptable collateral is specified under Section 6-202 of Title 6 of the State Finance and Procurement Article of the Annotated Code of Maryland.
- D. The right of collateral substitution is granted, and all associated costs will be paid by the seller (financial institution).

X. Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by the College shall be conducted on a delivery-verses-payment (DVP basis). Securities will be held by a third party custodian designated by the Vice President of Finance/Chief Financial Officer and evidenced by safekeeping receipts. All repurchase agreements will be governed by a Master Repurchase Agreement signed by the appropriate officials of the College and the appropriate official of the approved broker/dealer or financial institution.

XI. Internal Control

The Vice President of Finance/Chief Financial Officer shall establish a system of internal controls, which shall be documented in writing. The controls shall be designed to prevent losses of college funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees. The investment operation is also part of the annual financial audit conducted by the College's external audit firm. This review will provide external control by assuring compliance with this policy. The College's internal auditor will periodically review the internal controls to ensure compliance with this investment policy.

XII. Performance Standards

The College's investment strategy is active and the investment portfolio will be designed with the objective of obtaining a market average rate of return during budgetary and economic cycles, taking into account the College's investment risk constraints as noted in Section VI of this procedure and cash flow needs. The basis used to determine whether market yields have been achieved shall be the 3-month U.S. Treasury bill, the average Federal Funds rate, or other recognized indices.

XIII. Reporting Requirements

The periodic investment report presented to the Board of Trustees shall include a market report on investment activity and investment returns.

XIV. Investment Policy Adoption

The College's investment policy shall be adopted by resolution by the Board of Trustees and a certified copy sent to the Maryland State Treasurer. The policy shall be reviewed on an annual basis by the Committee on College Investments and Bank Selection. Any modifications made to this investment policy must be approved by the Board of Trustees (by resolution).

Presidential Approval: June 18, 2012; November 5, 2012; April 19, 2013.

Schedule A

MONTGOMERY COLLEGE RETIREMENT PLAN

(AETNA SUPPLEMENTAL)

GENERAL:	The College has a single employer, defined benefit pension plan with Aetna. The plan provides for benefits to be paid to eligible employees at retirement, in conjunction with the other college retirement and pension plans. Full-time employees who have been employed by the college prior to 1980, and contribute to the Maryland State Retirement system plan are eligible to participate in this plan established under the authority of the College's Board of Trustees	
GOALS AND OBJECTIVES:	<p>Consistent with the purpose outlined above, the portfolio strives to achieve the following objectives:</p> <ol style="list-style-type: none"> 1. To maintain fully funded status with regard to the Accumulated Benefit Obligation(ABO); 2. To maintain flexibility in determining the future level of contributions; and 3. To maximize total returns within a framework that maintains sufficient liquidity to fund required outflows. 	
PORTFOLIO COMPOSITION:		
Asset Allocation:	As the plan begins to wind down, the composition of the portfolio has been altered to reflect the need to maintain a fully funded status at ever increasing frequency, all assets are now 100% Domestic Fixed Income.	
PERFORMANCE GOALS:	<u>Asset Class</u> Domestic Fixed Income	<u>Goal</u> Lehman aggregate bond index
DISTRIBUTIONS:	Distributions will be made as necessary to fund claims and administrative costs related to the purpose of the portfolio.	

Montgomery College Investment Program

Glossary of Terms

Agencies: Federal agency securities and/or government sponsored enterprise.

Banker's Acceptance (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

Broker: A Broker brings buyers and sellers together for a commission.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a certificate.

Collateral: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Delivery Versus Payment: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Liquidity: a liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreement that establish each parties rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

Maturity: The date upon which the principal or stated value of an investment becomes due payable.

Local Government Investment Pool (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investments and reinvestments.

Money Market: The market in which short-term debt instruments (bills, commercial paper, bankers acceptances, etc.) are issued and traded.

Portfolio: Collection of securities held by an investor.

Primary Dealer: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange

Commission (SEC) – registered Securities Broker Dealers, banks and a few unregulated firms.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price.

Repurchase Agreement (RP or REPO): A holder of securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The Security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

Safekeeping: Storage and protection of a customer’s financial assets, valuables, or documents, provided as a service by an institution serving as agent and, where control is delegated by the customer, also as a custodian.

Treasury Obligations: Negotiable debt obligations of the U.S. Government, secured by full, faith and credit and issued at various schedules and maturities.

Yield: The rate of annual return on an investment, expressed as a percentage.

Chapter: Fiscal and Administrative Affairs

Modification No. 003

Subject: **Internal Audit**

I. Purpose

- A. The Internal Audit function is an independent, objective assurance and consulting activity, within Montgomery College, designed to add value and improve a department's operation. It is a managerial control that helps departments accomplish their objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
- B. Internal Audit is intended to assist members of management in the effective discharge of their duties and responsibilities by furnishing them with analyses, appraisals, recommendations, and pertinent comments concerning the activities reviewed.

II. Authority

- A. Internal Audit is authorized to direct a broad, comprehensive program of internal auditing within the College.
- B. Internal Audit may be concerned with any phase of College activity that may be of service to management, a responsibility that involves going beyond the accounting and financial records, and policies and procedures, to obtain a full understanding of the operations under review.
- C. In order to carry out assigned responsibilities, the Chief Compliance, Risk and Ethics Officer will ensure the internal audit function is authorized with full, free, and unrestricted access to all College activities, records, property, and personnel.

III. Responsibilities

Internal Audit is responsible for:

- A. Establishing policies for the auditing activity and directing its technical and administrative functions.
- B. Developing and executing a comprehensive audit program/plan for the evaluation of management controls provided over College activities.
- C. Examining the effectiveness of all levels of management in their stewardship of College resources in compliance with established plans, policies, and procedures, and sound management approaches.
- D. Recommending improvement of management controls designed to safeguard College resources, promote achievement of College goals and objectives, and ensure compliance with governmental laws, regulations, and Board of Trustees policies.

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- E. Authorizing the publication and distribution of reports on the results of audit examinations, including recommendations for improvement.
 - F. Appraising the adequacy of the action taken by management to correct reported deficient conditions, acknowledging adequate corrective action, and continuing reviews with appropriate management personnel on action considered inadequate until the matter has been satisfactorily resolved.
 - G. Conducting special reviews at the request of management.
 - H. Responding to reports of suspected fraud or financial irregularities through the established reporting line.
- IV. Audit Reporting
- The Board shall consider the auditor's findings and recommendations, the responses to the findings and recommendations, and the President's recommendations in the matter.
- V. The President is authorized and directed to establish procedures to implement this policy.

Board Approval: May 16, 2005; February 25, 2014; May 15, 2017.

Chapter: Fiscal and Administrative Affairs

Modification No. 007

Subject: **Internal Control & Audit**

I. Internal Auditing

Internal auditing is a staff function which serves College management as an independent, objective assurance and consulting activity designed to add value and improve Montgomery College management systems. Internal audits are conducted by the Internal Auditor who is directed by the Chief Compliance, Risk and Ethics Officer who reports directly to the President. Functioning under an annual audit plan approved by the President, the internal audit function supplements the annual external audit that is required by State law and conducted in accordance with prescribed requirements of the Maryland Higher Education Commission. The external audit is normally conducted by an independent certified public accountant of the College's selection (see policy on "Appointment of External Auditor").

II. Internal Audit Objectives

The Chief Compliance, Risk and Ethics Officer will ensure the development of an annual risk based audit plan. Audits will be conducted in areas relative to their strategic value to the institution. Audits that evaluate the College's general operational processes to assure they are properly designed and operating effectively, evaluate control mechanisms to reduce the risk of loss or waste, and offer recommendations for areas of improvement to increase the opportunity to meet institutional goals.

The objectives of each internal audit will be to provide:

- A. An independent review of the College's compliance with policies, procedures, laws and regulations.
- B. An independent appraisal of the business and operating controls and systems with the principal objectives of eliminating waste and minimizing the potential for improprieties and/or mismanagement.
- C. A determination as to whether resources are acquired economically, used efficiently and effectively and protected adequately.
- D. An objective evaluation of and a written report on the internal controls and processes over, and the support for, the collection, control, and disbursement of College funds and the safeguarding of the College's assets and its records.
- E. Recommendations, where applicable, for improving management control and the overall effectiveness of the areas audited.

III. Internal and External Audit Reports

- A. The internal audit report represents the formalization of those audit findings and related recommendations which the Internal Auditor believes warrant management consideration, evaluation and action as appropriate to the circumstances. From the management point of view, an audit report should be

considered as a management tool and be utilized as such to the fullest extent applicable.

- B. The internal audit report will usually consist of sections titled: Introduction, Scope, Findings, Conclusions and Recommendations. The Introduction and Scope sections will be brief and give general descriptions as to the activity audited and the extent of the audit. The internal audit report will be reviewed by the Chief Compliance, Risk and Ethics Officer and distributed through the Office of Compliance, Risk and Ethics.
- C. The internal audit report will typically be addressed to the person directly responsible for the supervision of the audited area or activity and their immediate administrator.
- D. In the case of any external audits, including those completed as part of the College audit plan, the auditor's findings and recommendations, if any, would be addressed to the Board of Trustees through the President who will forward as appropriate to those responsible persons for a response. The initial response to the recommendations will be by an appropriate administrator designated by Chief Compliance, Risk and Ethics Officer. In each instance, that person is responsible for carefully considering each finding and recommendation, evaluating same in the context of how the particular activity could benefit, and then thoughtfully deciding on a proper course of management action as appropriate to the circumstances.

IV. Management Follow-Up on Reports

- A. Within 10 calendar days after the date of receipt of an internal audit report or an external audit report containing findings and recommendations, the addressee will direct a memorandum of response to the Internal Auditor with a copy to the Chief Compliance, Risk and Ethics Officer outlining as concisely as possible:
 - 1. Whether there is general agreement with the overall report findings and recommendations.
 - 2. Any lack of agreement and the reason why.
 - 3. The management action taken or contemplated on each finding and/or recommendation (or a brief reference to the fact, if the report correctly summarizes such actions taken up to the report date), including estimated timelines for planned actions.
 - 4. Any specific finding or recommendation which may involve matters beyond the addressee's authority to correct.
- B. The response will copy the appropriate direct administrator (if not the addressee) for review and concurrence, and be marked for prompt handling.
- C. When additional time to consider a report or individual recommendation is necessary, an extension of time should be requested of the Chief Compliance, Risk and Ethics Officer by the appropriate administrator responsible for the audited area.

- D. When received, responses to reports of the external auditor will be promptly reviewed by the Internal Auditor and the Chief Compliance, Risk and Ethics Officer and then submitted to the President for transmittal to the Board of Trustees, with recommendations as appropriate to the circumstances.

Administrative Approval: July 27, 1976; February 3, 1978; September 20, 1978; June 4, 1980; November 7, 1984; August 30, 1994; January 10, 2003; February 25, 2014; May 31, 2017.

Chapter: Fiscal and Administrative Affairs

Modification No. 002Subject: **Reporting Suspected Acts of Wrongdoing**

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- I. Montgomery College adheres to a high standard of ethical and legal business conduct. Therefore, it is the policy of the College to encourage and expect all College employees, students, volunteers, agents, contractors, and members of the community acting in good faith, to report suspected wrongful conduct involving fraud, waste, abuse, other financial irregularities, or other acts of wrongdoing so that prompt corrective action can be taken by the College. This policy includes non-retaliation protections consistent with sound practices of similar organizations and the Sarbanes-Oxley Act and thereby encourages responsible reporting of such suspected conduct to enable timely action by the College.
 - II. The College is committed to protecting individuals from interference with making a protected disclosure and from retaliation for having made a protected disclosure or for having refused an illegal order as defined in this policy and the College's Non-Retaliation Policy.
 - III. No individual who in good faith reports a wrongdoing or suspected wrongdoing shall thereby suffer harassment, retaliation or adverse employment and/or academic or educational consequence. An individual who retaliates against someone who has made a report in good faith under this policy is subject to disciplinary action in accordance with College policies and/or the student code of conduct, up to and including dismissal from the College.
 - IV. This policy does not protect an individual who files a report or provides information that he or she knows to be false or provides information with reckless disregard for its truth or falsity.
 - V. Just as the College will consider wrongful conduct as serious violations of law or College policy, the filing of false or malicious allegations of wrongdoing or knowingly providing false answers or information to an ongoing investigation of wrongdoing may subject individuals to disciplinary action up to and including discharge or expulsion from the College. The failure to substantiate a claim of wrongdoing does not automatically constitute malicious intent or a false claim.
 - VI. Reports of wrongdoing will be kept confidential except to the extent that limited disclosure may be necessary for the purpose of conducting a full and fair investigation, providing opportunity for the subject to respond, taking remedial action, and responding to a government inquiry or legal action.
 - VII. This policy does not protect individuals who self-report their own misconduct.
 - VIII. This policy is not intended to replace existing reporting mechanisms for matters such as employment related complaints, health and safety matters, complaints involving discrimination or harassment, nor is it intended to supplant other channels of communication for reporting suspected fraud, waste, abuse, and financial wrongdoing.
 - IX. The president is authorized to establish procedures necessary to implement this policy.

Board Approval: April 28, 2014; June 25, 2018

Chapter: Fiscal and Administrative Affairs

Modification No. 004

Subject: **Reporting Suspected Acts of Wrongdoing**

I. Definitions

- A. Abuse: The intentionally wrongful or improper use of College resources including the excessive or improper use of one's position, in a manner contrary to its rightful or legally intended use.
- B. Fraud: Activity that involves a willful or deliberate act, expression, omission, or concealment with the intent of obtaining an unauthorized benefit, such as position, money or property, by deception or other unethical means.
- C. Good Faith: Acting in good faith means the reporter has a reasonable basis in fact for reporting or providing the information. Reports will be provided with careful regard for the truth, with full disclosure of relevant information, and not with malicious intent or with frivolous information.
- D. Protected Disclosure: Communication about suspected wrongful conduct engaged in by a College employee, student, volunteer, or contractor based on good faith.
- E. Reporter: Any person who makes a protected disclosure. This definition honors federal, state, and local regulations for whistleblower policies.
- F. Retaliation: Any adverse action against an employee because the individual has made a protected disclosure as a reporter or has participated in an investigation, proceeding, or hearing involving a protected disclosure. Such adverse action can affect or threaten to affect the employment rights or other interests of an individual and can take either work or social form.
- G. Waste: The negligent or extravagant expenditure of College funds, incurring of expenses, or misuse of College resources or property.
- H. Wrongdoing: Unethical, illegal or fraudulent business activity in violation of College policies or procedures, or applicable laws or regulations.

II. Examples of Activity To Be Reported

The types of suspected wrongful activity to be reported can include, but are not limited to:

- A. Fraudulent activity relating to grants, contracts, agency funds, or other fiduciary obligations.
- B. Forgery or other unauthorized alteration of College instruments including, but not limited to, checks, financial documents, academic records, or personal information.
- C. Misappropriation or theft of funds, goods and services, or other College assets.

- D. Impropriety in handling or reporting money or financial transactions.
- E. Purposely reporting inaccurate financial information.
- F. Authorizing or receiving compensation for goods not received or services not performed.
- G. Accepting or seeking anything of material value from contractors or vendors providing services or materials to the College, not authorized by College policy, nor in compliance with Maryland State Ethics Commission regulations (<http://ethics.gov.state.md.us>).
- H. Destruction, removal or inappropriate use of College records or assets that is unauthorized or contrary to College policy or requirements under the law or regulations.
- I. Unethical procurement practices, including property control/inventory practices, and undisclosed conflicts of interest in any College procurement practices.
- J. Abuse of College position.
- K. Significant waste of College funds.
- L. Conflicts of interest.
- M. Concerns about the institution's athletic programs and activities.
- N. Retaliation for protected disclosure.

III. Exclusions to this Procedure

This procedure does not apply to violations that could otherwise be addressed through the College's existing policies and procedures, including the grievance procedure or collective bargaining agreements.

IV. Reporting Suspected Wrongdoing

- A. All individuals are expected to report any suspected fraud, waste, abuse, financial irregularities, and unethical business activities, as well as any concerns about athletic programs and activities directly to the Chief Compliance, Risk, and Ethics Officer or the confidential reporting line at:

Online Reporting: www.montgomerycollege.ethicspoint.com

Toll-free Reporting Line: 1-844-572-2198

All reports are confidential, to the extent permitted by law. The suspected wrongdoing will be reviewed initially within the Office of Compliance, Risk, and Ethics and reported to the Chief Compliance, Risk, and Ethics Officer to determine if the report is credible and should be further investigated or subject to other appropriate actions.

The reporting line is a confidential source for reporting, triaging, and tracking any suspected acts of wrongdoing. At the reporter's choosing, reports can also be made anonymously.

- B. This procedure does not preclude an employee from reporting to other appropriate persons such as:
 - 1. Their supervisor;
 - 2. A College administrator with compliance oversight of the issue;
 - 3. HRSTM Office of Employee and Labor Relations;
 - 4. General Counsel; or
 - 5. Law enforcement or other government agencies with enforcement authority.
- C. A report should include information and lawful documents or data in support of the allegation, to include, when possible:
 - 1. A detailed description of the concern;
 - 2. Name of individual(s) involved in the concern;
 - 3. The location where the action(s) occurred; and,
 - 4. Any other details that may be important for the investigation.
- D. All individuals are expected to report suspected wrongdoing as soon as they become aware of the misconduct.
- E. Students may report through the following means:
 - 1. Students may report to faculty, a department chair, or a dean.
 - 2. Reports of suspected sexual misconduct should be made to the Title IX Coordinator, per College Policy 31001-Sexual Misconduct.
 - 3. Students may report wrongdoing to Public Safety and Security on any of the campus locations.
 - 4. Alternate methods of reporting complaints are listed on the website for Student Complaint Resolution.
 - 5. Students may report concerns about athletic programs and activities to the confidential online reporting line, www.montgomerycollege.edu/ethicspoint.com, or toll-free confidential reporting line, 1-844-572-2198, or AthleticConcerns@montgomerycollege.edu.
- V. Response and Investigation
 - A. As soon as a report is made to one of the individuals in Section IV, B., that individual must communicate the report to the Office of Compliance, Risk, and Ethics regardless of which method of reporting was employed or to whom the initial report was made. For employees who receive a protected disclosure from a reporter, failure to forward reports to the Chief Compliance, Risk, and Ethics Officer within one (1) business day of receiving the report may result in disciplinary action.
 - B. Initial receipt of the report will be acknowledged by the Office of Compliance, Risk, and Ethics within three (3) business days. Reports received via the confidential reporting line will be acknowledged through the reporting line.

- C. When an investigation is initiated, the investigating entity shall make every effort to issue a disposition within sixty (60) days of receipt of the report. This timeline may be shortened depending on the nature of the allegation and the amount of facts that have to be collected. However, extenuating circumstances may require the extension of this projected timeline.
- D. Reports and investigations will be kept confidential to the extent possible under law and consistent with the need to conduct an adequate investigation and take corrective action.
- E. The reporter is not responsible for investigating the activity or for determining fault or corrective measure; appropriate investigators are charged with these responsibilities.
- F. Nothing in these procedures preclude the College from making a report to external agencies when necessary.
- G. At the conclusion of the investigation, a follow-up with the reporter will be made to the extent possible and permitted by law for closure of the concern.

VI. Protection Against Retaliation

Any individual who makes a good faith report or protected disclosure will be protected in accordance with College Policy 39003-Protection Against Retaliation.

VII. Reports to the President

Annually, or upon request, the Chief Compliance, Risk, and Ethics Officer will prepare a summary report of allegations of wrongdoing for the President.

VIII. Education

Education is a key element of this Policy. The College will provide education and information, as appropriate, for employees to enhance understanding and increase awareness of the College's Reporting Suspected Acts of Wrongdoing Policy and Procedure. The President is authorized to provide institutional leadership and guidance for developing education programs to increase knowledge and share information and resources to promote a high standard of ethical and legal business conduct at the College. Some goals to be achieved through education are: (a) identifying the avenues available for reporting suspected wrongdoing; (b) promoting awareness of the reporting process and examples of conduct that may be reported; and (c) communicating the College's commitment to protect from retaliation anyone who makes a report in good faith. Any mandatory education requirements will be announced and posted on the College's website.

Administrative Approval: April 28, 2014; February 23, 2015; June 26, 2018; October 11, 2019; February 21, 2022; June 15, 2022

Chapter: Fiscal and Administrative Affairs

Modification No. 001

Subject: **Tax-Exempt Bond Compliance**

- I. Montgomery College has participated in several municipal bond transactions involving revenue bonds secured, in part, by a pledge of lease payments to be made by the College under long-term leases. The College may in the future participate in financings or refinancings in which lease or similar College commitments are a part of the security for the bonds or in special cases, it may issue bonds itself.
- II. It is the policy of the College that the College shall comply with the disclosure requirements of all federal securities laws and regulations applicable to the bond issues in which the College participates, as well as with the contractual obligations under continuing disclosure agreements entered into by the College in connection with such bond issues and that the College shall establish procedures that (i) are reasonably designed to result in accurate, timely, and complete disclosures both at the time of bond issuance and thereafter, (ii) designate the officers and personnel that are responsible for making disclosure, (iii) require reports to the president if post-issuance disclosures are not timely made, and (iv) require regular training of personnel responsible for the disclosures.
- III. It is the policy of the College that the College shall comply with the requirements of the Internal Revenue Codes of 1986, as amended, and regulations of the Internal Revenue Service that are applicable to tax-exempt bond issues in which the College participates, as well as with the undertakings of the College in related bond documents and tax certificates and that the College shall establish procedures that (i) are reasonably designed to assure such compliance, (ii) designate the officers and personnel who are responsible for maintaining the records relating to each bond issue necessary to demonstrate compliance with the tax laws, for filing post-issuance reports and arbitrage calculations and, if necessary, making required rebate payments, and for complying with any applicable restrictions on the use of tax-exempt bond financed projects, (iii) require reports to the president if the College fails to comply with tax requirements relating to a bond issue, and (iv) require regular training of personnel responsible for tax compliance.
- IV. To the extent determined to be necessary or desirable by the president, the College will continue to engage on an as-needed basis the services of legal counsel, a financial advisor and a rebate consultant in connection with ongoing compliance matters related to tax-exempt bonds.
- V. This policy is not intended to replace existing reporting mechanisms for matters such as channels of communication for reporting suspected fraud and financial wrongdoing or other reporting obligations or mechanisms.
- VI. This policy of the College is intended to be applicable to all bond financings in which the College is involved either as a participant or a bond issuer.
- VII. The president is authorized to establish procedures necessary to implement this policy.

Board Approval: October 20, 2014

Chapter: Fiscal and Administrative Affairs

Modification No. 001

Subject: **Tax-Exempt Bond Compliance**

I. Definitions:

- A. Bond – any bond or similar obligation which is either issued by the College or secured in whole or in part by lease or other obligations of the College.
- B. Continuing Disclosure Agreement – a contractual obligation of the College that is entered into in connection with an issue of Bonds to provide disclosure about College Information after the date of issuance of the Bonds, usually in the form of a continuing disclosure agreement for each offering of Bonds.
- C. Code - the Internal Revenue Code of 1986, as amended.
- D. College Information - information about the College, its operations and finances, legal obligations, financial statements and other information material to the applicable Bonds that either (1) is contained in the Official Statement for an issue of Bonds and for which the College is responsible under the applicable bond purchase agreement or similar agreement or (2) is, under an applicable Continuing Disclosure Agreement, part of the College's undertaking for post-issuance disclosure obligations.
- E. Digital Assurance Certification (DAC) – a EMMA gateway agent who provides post-issuance securities and tax compliance services to municipal securities market participants.
- F. Disclosure - any information or communications reasonably likely to reach investors or the securities markets, including Official Statements containing College Information, filings made by the College with the MSRB, EMMA or the national repositories (whether required by Continuing Disclosure Agreements or made voluntarily), press releases which could reasonably be construed as intended for the financial markets, investor calls, rating agency presentations and other communications, and certain postings on the College's website.
- G. Electronic Municipal Market Access (EMMA) - the MSRB's electronic municipal market access system.
- H. IRS - the Internal Revenue Service.
- I. MSRB - the Municipal Securities Rulemaking Board.
- J. Official Statement - the preliminary and final official statements or other offering materials for an issue of Bonds that contain College Information.
- K. Reportable Events - the events set forth in Section IV.E below with respect to any Bonds.

- L. Required Annual Disclosure - the annual audited financial statements of the College and an annual bond disclosure report containing the College Information specified in the Continuing Disclosure Agreements.
 - M. Responsible Disclosure Officer - the officer described in Section II as having responsibility for Disclosures relating to Bonds and for carrying out the Procedures set forth in Sections II, III and IV of these Procedures. The Chief Financial Officer has been designated as the Responsible Disclosure Officer.
 - N. Rule - Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.
 - O. Tax Certificate - a certificate, memorandum or other similar document prepared by the bond counsel with respect to a tax-exempt Bond issuance that identifies the applicable requirements of the Code and related regulations and other federal tax laws and sets forth such material facts and reasonable expectations of the College relevant to such requirements.
 - P. Tax Compliance File - the tax-exempt obligation issuance compliance file or collection of files maintained by the College pursuant to Section V. D. below.
 - Q. Tax Compliance Officer - the officer of the College designated in Section V.B as having responsibility for carrying out the Procedures set forth in Sections V, VI and VII. The Chief Financial Officer has been designated as the Tax Compliance Officer.
- II. Bond Offering Disclosures
- The Chief Financial Officer has been designated as the Responsible Disclosure Officer and shall be responsible for (i) assuring that Disclosures by the College in connection with the issuance of Bond are in compliance with federal securities laws and regulations, (ii) overseeing the compilation College Information contained in Official Statements prepared in connection with the offering and issuance of Bonds and (iii) overseeing other Disclosure obligations of the College undertaken in connection with such Bond issuance. In the carrying out of these responsibilities, the Responsible Disclosure Officer shall coordinate with, and be provided with assistance from, the General Counsel. The Responsible Disclosure Officer shall make available to the members of the Board of Trustee drafts of the preliminary Official Statement in substantially final form for review and approval by the Board of Trustees of such substantially final form of the preliminary Official Statement. The Responsible Disclosure Officer shall be responsible for certifying to the accuracy and completeness of all financial and other College Information contained in the Official Statement, including confirmation that there are no material differences in presentation of financial material in the Official Statements from the College's most recent audited financial statements, except such differences as may be necessary to update such audited financial statements or are disclosed in the Official Statement. The Responsible Disclosure Officer shall be responsible for Disclosures of the College made to rating agencies and any potential bond purchasers.
- III. Post –Issuance Continuing Disclosure
- A. Background: The Rule prohibits underwriters from purchasing and selling most municipal bond obligations unless the underwriter has reasonably determined

that the issuer of those obligations (or each obligated party) has made a contractual undertaking to provide certain disclosures prescribed in the Rule, including annual financial information, audited financial statements, and event notices.

- B. Generally: To facilitate compliance with the Rule, the College enters into a Continuing Disclosure Agreement for each offering of Bonds thereby contractually promising to provide the market with certain disclosures about College Information. The Continuing Disclosure Agreements can differ from each other, including the scope of the College Information and the deadline prescribed for the College's filing of annual financial information. Until the termination of the Continuing Disclosure Agreements, the College will adhere to the requirements set forth in these post-issuance Continuing Disclosure Agreements to ensure compliance with the College's continuing disclosure undertakings.
- C. Responsibility: The Responsible Disclosure Officer and the General Counsel are responsible for negotiating the terms of each Continuing Disclosure Agreement. The Responsible Disclosure Officer is responsible for making Disclosures in order to comply with the terms of each Continuing Disclosure Agreement and reporting all failures to make required Disclosures to the President.

IV. Annual Financial Information:

- A. Filing Responsibility: The Responsible Disclosure Officer will file or cause to be filed with the MSRB through EMMA not later than 270 days after the end of each fiscal year of the College the Required Annual Disclosure in accordance with each Continuing Disclosure Agreement.
- B. Required Annual Disclosure: The Required Annual Disclosure shall be developed by the College and made available to the Responsible Disclosure Officer, who should provide a substantially final draft of the Required Annual Disclosure (with a description of any missing information) to the President at least 90 days before the submission date specified above.
- C. Consultation: To the extent deemed necessary by the Responsible Disclosure Officer, the College will consult with the General Counsel and any outside counsel designated by the General Counsel regarding the Required Annual Disclosure report prior to filing the report with Digital Assurance Certification (DAC) to submit to the MSRB through EMMA.
- D. Unavailability of Information: In the event that all or part of the Required Annual Disclosure is not completed in time to submit such financial statements to DAC to report to the MSRB through EMMA within the time required by the applicable Continuing Disclosure Agreement, the Responsible Disclosure Officer will notify the President and will file or cause to be filed a notice of such event with the MSRB through EMMA on or before the date required for submission of such Required Annual Disclosure, together with a statement to the effect that the unavailable portions of the Required Annual Disclosure is not available on the date of such filing, and submit such unavailable portion as soon as it becomes available.

E. Event Filings

1. Responsibility and List of Events: The Responsible Disclosure Officer will file or cause to be filed, in a timely manner not in excess of ten business days after the occurrence of a Reportable Event with the MSRB through EMMA notice of the occurrence of any of the Reportable Events with respect to any Bonds. Reportable Events are:
 - a. Principal and interest payment delinquencies;
 - b. Non-payment related defaults, if material;
 - c. Unscheduled draws on debt service reserves reflecting financial difficulties;
 - d. Unscheduled draws on credit enhancements reflecting financial difficulties;
 - e. Substitution of credit or liquidity providers, or their failure to perform;
 - f. Adverse tax opinions or events affecting the tax-exempt status of interest on the Bonds, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds;
 - g. Modifications to the rights of securities holders, if material;
 - h. Bond calls, if material, and tender offers;
 - i. Defeasances;
 - j. Release, substitution, or sale of property securing repayment of the Bonds, if material;
 - k. Rating changes;
 - l. Bankruptcy, insolvency, receivership or similar event with respect to the College;
 - m. The consummation of a merger, consolidation, or acquisition involving the College or the sale of all or substantially all of the assets of the College, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
 - n. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
2. Timely Identification of Events: The Responsible Disclosure Officer, or his or her designee, will ask appropriate members of the College staff if they are aware of the occurrence of any of the Reportable Events or any other matters that they believe should be disclosed publicly in relation to the Bonds. The Responsible Disclosure Officer shall advise the appropriate College staff members that whenever any such staff member obtains knowledge of the occurrence of a Reportable Events, the staff member shall promptly report it to the Responsible Disclosure Officer

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3. Fiscal Year Changes: The Responsible Disclosure Officer will file or cause to be filed with the MSRB through EMMA a notice of any change to the College's fiscal year not later than the date on which the College makes public through the filing on EMMA any information in the then current fiscal year of the College.
 4. Consultation: To the extent deemed necessary or appropriate by the Responsible Disclosure Officer, the College will consult with General Counsel regarding any Reportable Event filing prior to filing it with the MSRB through EMMA
- F. MSRB Filings: The documents and notices required to be submitted to the MSRB shall be submitted through EMMA in an electronic format, and shall be accompanied by identifying information, in the manner prescribed by the MSRB, or in such other manner as is consistent with the Rule. The College shall reference the CUSIP prefix number for the Bonds or other obligations in any filing with the MSRB through EMMA.
- G. Obligated Persons: The Responsible Disclosure Officer will ensure that other persons or entities that are under the College's control (such as tenants or contract parties) and are required to submit documents, information or notices to the MSRB in connection with Bonds are aware of their continuing disclosure obligations in connection with such Bonds.
- H. Voluntary Filings: The Responsible Disclosure Officer shall evaluate whether an event which is not listed in any Continuing Disclosure Agreement as a Reportable Event is appropriate for disclosure by the College on a voluntary basis, based on investor demand or otherwise. Upon a determination that a voluntary notice should be filed, the Responsible Disclosure Officer shall, in consultation with the General Counsel, prepare a draft of such notice. The Responsible Disclosure Officer shall file such voluntary notice in the appropriate repositories once such notice has been approved by the Responsible Disclosure Officer and the General Counsel.
- I. Press Releases: Press releases for the College are prepared by the College's Department of Advancement and Community Engagement. Any press release to be made which could reasonably be construed as intended for the financial markets shall be submitted by the Department of Advancement and Community Engagement to the Responsible Disclosure Officer and General Counsel for review and approval prior to its dissemination.
- J. Investor Communications: The Responsible Disclosure Officer shall be responsible for overseeing the responses to all telephone, email and other inquiries from existing and potential investors in the Bonds. All College staff shall transfer such inquiries to the Responsible Disclosure Officer (or delegated staff under his or her supervision). Investors shall be directed to information provided on the College's website or shall be given a written response to any inquiry whenever practicable.
- K. Rating Agency Communications: All information provided by the College or for the College at its direction to any rating agency providing a rating for the Bonds

shall be reviewed for accuracy and completeness and approved by the Responsible Disclosure Officer.

V. Tax Compliance Procedures

- A. Background: The College recognizes the need to establish written procedures to monitor compliance with tax-exempt bonds requirements set forth in Sections 103 and 141-150 of the Code and to ensure that all nonqualified bonds of an issue of tax-exempt Bonds are remediated pursuant to the Code. The Procedures in Parts IV, V and VI establish a commitment to timely and completely comply with applicable requirements and proper documentation of such compliance. It is the expectation of the College that adherence to these Procedures will help to ensure that the College will meet the Code requirements applicable to tax-exempt Bonds. The advantages of written procedures are as follows:
1. promoting consistency and continuity in record keeping.
 2. identifying and training the College officials and staff having responsibility for implementing the actions described.
 3. identifying the objectives to be met by undertaking the actions described.
 4. demonstrating a commitment to initial and continued compliance with Code requirements for tax-exempt obligations.
- B. Tax Compliance Officer: The Chief Financial Officer of the College has been designated as the Tax Compliance Officer, who shall be responsible for the implementation of the procedures under Section V, VI and VII and shall report to the President any violations thereof that could reasonably be expected to adversely affect the tax-exempt status of Bonds and any remedial actions that are being considered.
- C. Tax-Exempt Obligations Issuance Compliance File: The Tax Compliance Officer is responsible for ensuring that the College's Foundation, who issues the bonds, establishes a Tax Compliance File (which may be a collection of files) for each tax-exempt Bond issuance. The Tax Compliance Officer will annually review the Tax Compliance File, and check it with respect to the College's compliance requirements. The Tax Compliance File shall include the following unless the Tax Certificate makes another financing participant responsible for compliance with the IRS requirement:
1. the Tax Certificate, including supporting certifications and analyses,
 2. copy of the completed Form 8038 or such other similar form required by the IRS, with proof of timely filing,
 3. a tickler sheet identifying rebate compliance dates for the tax-exempt obligation issue,
 4. copies of rebate compliance analyses and computations,
 5. Bond proceeds expenditure listing identifying the timing, amounts and purposes of tax-exempt obligation proceeds expenditures,
 6. Bond proceeds investment listing identifying the investment of tax-exempt obligation proceeds prior to their expenditure and the earnings from such investment,

7. copy of final Bond proceed allocation, showing final amounts and purposes of tax-exempt obligation proceeds expenditures,
8. project use listing showing, as applicable, the governmental agency having operational control over any tax-exempt Bond issuance funded project, and/or any entity using any tax-exempt Bond issuance funded project and location of related documentation, such as leases or management contracts, if any,
9. a remediation log, if applicable, identifying any change in use of tax-exempt Bond issuance financed projects, including any related supplemental tax certifications or other related documentation,
10. financing history log listing significant events relating to the Bond, including early redemption, refunding, defeasance or material modification to the tax-exempt obligation debt instruments or supporting documentation, and
11. IRS correspondence log, if applicable, listing any correspondence with the IRS with respect to the tax-exempt obligation issue.

VI. Compliance Activities

- A. Tax Certificate: The Tax Compliance Officer shall review and comply with tax-exempt Bond tax compliance requirements set forth in the Tax Certificate and any supporting or supplemental directions prepared by bond counsel. As requested, the Tax Compliance Officer will provide to bond counsel the material facts and reasonable expectations relevant to each issuance of tax-exempt so that bond counsel can prepare a Tax Certificate for the Bond issuance which identifies the applicable federal tax law requirements and sets forth such material facts and reasonable expectations of the College relevant to such federal tax law requirements. The Tax Certificate may include supporting certifications from the financial advisor, the bond purchaser or other participants to the financing. The Tax Compliance Officer will review the certifications set forth in the Tax Certificate and confirm their accuracy to the extent such facts and expectations are attributed to or within the knowledge of the College or its officials.
- B. Secondary Market Trading Activity, if applicable: To the extent required by the Tax Certificate, the Tax Compliance Officer shall require underwriters for Bonds to provide a "reoffering issue price" certification.
- C. Compliant Use and Timely Expenditure of Bond Proceeds: The College shall only issue Bonds or participate in the issuance of Bonds if the proceeds thereof that are to be used or controlled by the College are expected to be used for purposes permitted by the Tax Certificate.

VII. Tax-Exempt Obligations Post-Issuance Compliance Activities

- A. Record-keeping: The Tax Compliance Officer is responsible for ensuring that all Tax Compliance Files are maintained by the College's Foundation who issued the bonds for the life of the Bonds plus three years.
- B. Arbitrage: To the extent that the College controls investment of Bond proceeds, the Tax Compliance Officer will invest, and, when applicable, yield restrict tax-exempt Bond proceeds in accordance with the applicable Tax Certificate, and

timely determine and, when applicable, pay arbitrage rebate liability payments (or payments in lieu of rebate), in accordance with the Tax Certificate.

- C. Expenditure of Proceeds: To the extent that the College controls expenditures of Bond proceeds, the Tax Compliance Officer will expend, or cause to be expended, tax-exempt Bond proceeds for the projects and purposes stated in the Tax Certificate, or obtain verification by bond counsel that alternative expenditures are in compliance with applicable requirements. The Tax Compliance Officer may in the Tax Certificate acknowledge that current IRS regulations require a final allocation of proceeds to expenditures made or controlled by the College must be made no later than 18 months after the later of the date the expenditure is paid or the date such project is placed in service and, in any event, no later than 60 days after the fifth anniversary date of the subject issue of tax-exempt Bonds. The Tax Compliance Officer will timely allocate tax-exempt Bond proceeds to such expenditures in accordance with the Tax Certificate and establish and maintain a record of the final expenditure of tax-exempt Bond proceeds, such record to be included in the Tax Compliance File.
- D. Use of Tax-Exempt Bond Funded Projects: The Tax Compliance Officer will assure that the College uses tax-exempt Bond funded projects in accordance with the Tax Certificate, or obtain verification by bond counsel that alternative uses are in compliance with applicable requirements. The Tax Compliance Officer will establish and maintain a record of the use of such projects, such record to be included in the Tax Compliance File. In connection with the ownership, use or management of any such projects by another entity that is controlled by the College (including tenants, subtenants or licensees of the College), the Tax Compliance Officer will secure representations and/or agreements from such owner, user or manager that such projects are and will be used in accordance with the Tax Certificate and that facility will remain a qualified facility while continuously monitoring the use of the projects.
- E. Identification and Remediation of Violations: To the extent that the College exercises control over the following, the Tax Compliance Officer will (i) ensure compliance with requirements of the Code regarding the proper expenditure of Bond proceeds, proper investment of Bond proceeds and proper use of the tax-exempt Bond funded projects, and (ii) timely remediate any violations regarding the proper use of such projects in accordance with Code and IRS regulations, as applicable, or seek relief under the IRS voluntary compliance agreement program (VCAP) in appropriate circumstances. The Tax Compliance Officer shall require each owner, user and manager of any tax-exempt Bond funded project that is under its control undertake responsibility for timely notifying the College upon its discovery of any violation or noncompliance with its representations or certifications.

VIII. Training and Other Matters

- A. Training: As long as there are Bonds outstanding, to the extent deemed necessary or appropriate by the Responsible Disclosure Officer or Tax Compliance Officer, as applicable, the General Counsel shall be consulted regarding the training of College staff about these Procedures. The General Counsel and Responsible Disclosure Officer shall be responsible for coordinating

regular training sessions for College staff and Board members about their obligations under the federal securities laws and regulations, the Code and IRS regulations, the Continuing Disclosure Agreements and Tax Certificates and other federal and state laws affecting the College's issuance of Bonds. Training shall be provided for general background and overview purposes and, as applicable, to update College staff and Board members concerning recent changes in applicable laws or regulations.

- B. Procedures Scope: The Procedures are intended to assist in compliance with the requirements of federal securities and tax laws (including the Code and the Rule) and Continuing Disclosure Agreements, respectively, to the extent described herein. These Procedures are not intended to address any other federal, state or local government requirement, or any contractual obligations, that may be applicable to the College.

Administrative Approval: July 18, 2016

Chapter: Fiscal and Administrative Services

Modification No. 001

Subject: **Asset Management**

- I. The Board of Trustees recognizes the importance of ensuring accurate records of assets whose value and useful life meet the definition for capital assets. Asset management ensures adequate resources are allocated to invest and maintain college resources for optimal service delivery for student success.
- II. The purpose of this policy is to ensure that assets are accurately identified, maintained, disclosed, and reported in the college's financial records.
- III. The college will maintain a system of internal controls for asset identification and recordkeeping, asset handling, and timely accounting and reporting pursuant to federal, state, or college compliance guidelines.
- IV. All policies, procedures, and guidelines shall comply with government regulations and accounting industry standards.
- V. This policy establishes the scope, authority, responsibilities, and reporting for capital assets that have a physical substance and those that do not, including but not limited to, tangible assets (equipment, buildings) and intangible assets (licenses, software subscriptions).
- VI. The Board of Trustees authorizes the president to establish any procedures necessary to implement this policy.

Board Approval: April 21, 2025.

Chapter: Fiscal and Administrative Services

Modification No. 001

Subject: **Asset Management**

I. Scope

These procedures apply to tangible, intangible, and grant capital assets, as defined below:

A. Tangible Asset

A tangible asset is an asset that possesses all the following characteristics:

1. Has a physical form.
2. Holds value that will diminish or depreciate over time.
3. Has an initial useful life that extends beyond a single reporting period.

Common examples of tangible assets are land, equipment, and buildings. However, land and land improvements should not be depreciated.

B. Intangible Asset

An intangible asset is an asset that possesses all the following characteristics:

1. Lacks physical substance.
2. Is nonfinancial in nature.
3. Has an initial useful life that extends beyond a single reporting period.

Common examples of intangible assets are licenses, patents and software subscriptions.

C. Grant Asset

A grant asset is an asset procured with the funds of a federal, state or other grantor entity but has the same or similar characteristics as defined above. These assets are considered controlled assets which the college is required to track until the grant expires and appropriate government approvals support the transfer or disposal of the assets. Grant purchased assets will be handled similarly to college purchased assets unless the guidelines from the granting entity differ; and, in those instances, the grant documents will be the authoritative guidance.

Chapter: Fiscal and Administrative Services

Modification No. 001Subject: **Asset Management**

II. Responsibilities

The Senior Vice President for Administrative and Fiscal Services/Chief Operating Officer (SVPAFS/COO) is responsible for developing and maintaining written administrative procedures for accurate capital asset management, including a system of internal controls for asset identification and recordkeeping, asset handling, and timely accounting and reporting pursuant to federal, state, or college compliance guidelines.

The SVPAFS/COO delegates the day-to-day identification, management, maintenance, accounting, and reporting of the capital assets of the college to all offices or units that are responsible for the capital budgets and execution, the operating budgets and execution, and grant compliance and reporting.

III. Reporting

For financial statement reporting, a tangible capital asset that meets certain capitalization thresholds with a unit value of \$10,000 or more will be reported at cost, depreciated, or amortized over the estimated useful life of the asset, and disclosed as required by governmental accounting standards. The cost of the asset includes acquisition cost and incidental costs incurred to place the asset in service.

Some assets individually may fall below the capitalization threshold but may be purchased in large quantities via a purchase order. In aggregate these bulk purchases (computers, classroom furniture, library books) with a total value of \$100,000 or greater will be reported at cost, depreciated, or amortized over the estimated useful life of the asset even if the per unit value is \$9,999 or less (i.e. the College issues a purchase order for 120 laptops for \$1,200 per unit, these items will be deemed capital assets as a bulk purchase; despite the per unit cost.)

Disclosure for bulk purchases will be as required by governmental accounting standards. Intangible assets meeting certain capitalization limits of \$100,000 or more will be capitalized, recognized over the life of the license or subscription period, and disclosed as required by governmental accounting standards. Donated assets are recorded at the fair market value assessed on the date of donation.

IV. Identifying New Assets

The college's procurement system is the primary means for identifying new assets.

Assets may also be identified through the receipt of in-kind gifts secured through the Montgomery College Foundation.

V. Recording New Assets

Assets identified as meeting certain capitalization thresholds will be documented in the accounting records as a capital asset and affixed with a property control tag. The

Chapter: Fiscal and Administrative Services

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capitalization threshold will be evaluated periodically based on factors such as Uniform Guidance for grant assets, governmental accounting standards for all assets and industry standards.

VI. Equipment Transfers and Moves

A Request for Asset Status Change form, available from the Office of Facilities, must be completed in full when permanently transferring an asset to another location for proper asset inventory purposes. As soon as detected, lost or stolen equipment must be reported in writing to the Office of Public Safety. The form should include, at a minimum: a description of the equipment, identification number, model, serial number, and any circumstances surrounding the loss should be provided.

VII. Physical Inventory and Maintenance

Management allocates adequate resources to maintain all assets and facilities at a level that protects capital investment and minimizes future maintenance and replacement costs. Accordingly, an assessment of maintenance/replacement needs will be conducted on a periodic basis.

Equipment that is damaged, worn beyond economical repair, and/or surplus shall be identified on a timely basis with a record of such equipment maintained. Disposal of surplus property requires proper approvals and tracking on a Request for Asset Status Change form, available from the Office of Facilities. Any equipment containing College resources and/or data must adhere to the College's Data Disposal Standard, as identified in IT Standard 03004: Data Disposal.

A physical asset inventory shall be coordinated across college divisions, utilizing an outside contractor for coverage, on a periodic basis as deemed appropriate for compliance with accounting and reporting requirements.

VIII. Any changes made to these procedures shall take effect at the start of the next fiscal year to ensure timely, consistent, accurate, and complete recordkeeping.

Administrative Approval: April 2, 2025.

Chapter: Fiscal and Administrative Affairs

Modification No. 003

Subject: **Auxiliary Services**

- I. The auxiliary services are those functions which provide essential services, conveniences and amenities to enhance the educational environment of the College community in support of campus and College programs on a timely and self-supporting basis. Those functions include food services, bookstore services, child care centers and appropriate associated services. Additional auxiliary services must have the approval of the President (or designee) prior to being implemented, and the President (or designee) is authorized to discontinue existing services, as warranted.
- II. The President or the President's designee is authorized to establish and charge fees for services rendered or supplies provided by the various auxiliary services for student, faculty, staff, or other authorized persons, such fees to be directly related to but not necessarily equal to the cost of the service provided.
- III. College policies and procedures applicable to the control of fiscal, procurement, contractual, personnel, and other operations are applicable to auxiliary services operations.
- III. The College President (or designee) is authorized to establish procedures for the administrative management of the College auxiliary services.

Board Approval: April 4, 1977; February 25, 1985; June 16, 2003.

Chapter: Fiscal and Administrative Affairs

Modification No. 003

Subject: **Auxiliary Services**

I. Definition and Scope of Auxiliary Services

- A. Auxiliary services are those activities which provide services, conveniences and amenities to the members of the College community in support of campus educational programs. These activities are operated and administered as a self-supporting, enterprise fund of the College. In general, the services provided include:
 - 1. Bookstores
 - 2. Cafeterias
 - 3. Snack bars
 - 4. Vending machines (includes food, drink, coin-operated photocopying, etc.)
 - 5. Recreation centers
 - 6. Child care centers
 - 7. Copying and Desktop Publishing Centers
- B. Additional auxiliary services beyond those cited in the Board policy must have the prior approval of the Executive Vice President for Administrative and Fiscal Services before being implemented and may be discontinued by the Executive Vice President, as warranted. The President and Board of Trustees will be informed of new services or discontinued services during the budget review process.
- C. The public may be served incidentally by some auxiliary services.
- D. Each auxiliary service must have its own clearly written, detailed administrative procedures for any aspect of its operation not generally provided for by College policies and procedures. If an outside agency or vendor conducts the activity, the written procedure is replaced by a legal contract or agreement.
- E. Student activities and athletics for which the student activity fee is charged are not considered an auxiliary service.

II. Fiscal Management

- A. Each auxiliary service, except Child Care Services, is expected to generate sufficient revenue to pay its share of general administrative expenses, as well as direct operating expenses, including provision for renewal and replacement of furniture and equipment. Each year, the President (or designee) shall establish the limit of any revenue shortfall in Child Care Services.

- B. Proceeds from all auxiliary services will be deposited in the Auxiliary Enterprises Revolving Fund and administered in accordance with applicable financial policies and procedures.
- C. Personnel employed by Auxiliary Services shall be notified at the time of hire that the unit is funded outside of the College operating budget and that continuation of positions established within the unit is contingent upon the availability of funds.
- D. Each type of auxiliary service will have a budget developed and administered in accordance with College policies and procedures.

III. Sales and Services

- A. Unit heads shall consult with the Director of Auxiliary Services before establishing or contracting for services that may compete with existing auxiliary services.
- B. The use of College buildings and grounds for private commercial sales or other profit-making activities must be approved in advance by the Director of Auxiliary Services.
- C. When a College or community group desires to serve food at an activity or event, arrangements for the food service must be made through the Office of Auxiliary Services. The fee for the service is established by Auxiliary Services and the food service contractor. Exceptions may be made by the Director of Auxiliary Services.
- D. The Director of Auxiliary Services shall implement procedures to authorize the use of alcoholic beverages at the College and is responsible, as the President's designee, for approving, or disapproving, all such requests.

IV. Functional Responsibilities

- A. The Executive Vice President for Administrative and Fiscal Services is designated by the President as being responsible for overall supervision of the management of the auxiliary services unit.
- B. The Director of Auxiliary Services is responsible to the Executive Vice President for Administrative and Fiscal Services for the operation of all College auxiliary services.

Administrative Approval: June 8, 1977; February 26, 1985; June 16, 2003.

Chapter: Fiscal and Administrative Affairs

Modification No. 003

Subject: **Public Information, Communications, and Marketing**

- I. The Board of Trustees recognizes that communications and marketing play a vital role in the College's brand, image, and reputation, and must be communicated in a cohesive, consistent and positive manner to stakeholders and the general public. Additionally, the Board of Trustees recognizes that the development of public support for the College and participation in its programs and services depend upon an exchange of ideas and information, externally with the public and internally among its faculty, staff, and students.
- II. In order to support its communications and marketing goals, the College will develop a sound public information program; inform its faculty, staff, and students of those policies, procedures, events, and affairs of the College that affect them, giving such explanation as will enable clear understanding; inform the County citizens of the policies, actions, and decisions of the Board of Trustees; promote the value of the College and its programs to the public; make available to the public, insofar as it is reasonable and possible, all data about the College (excepting only such information considered confidential under applicable law); inform the citizens of the County continuously and accurately about the current state of the College to include both strengths and matters which need improvement; and assess periodically the information level, attitude, expectations, and needs of Montgomery County citizens with respect to the College.
- III. The President is authorized to establish procedures necessary to implement this policy.

Board Approval: March 18, 1968; June 18, 1984; December 12, 2016.

Chapter: Fiscal and Administrative Affairs

Modification No. 006

Subject: **Public Information, Communications, and Marketing**

I. General

These procedures do not pertain to individuals who are speaking for themselves but only to those who are acting as official representatives of the College.

II. Responsibilities

- A. The President has the overall responsibility for public information activities of the College. The Senior Vice President for Advancement and Community Engagement is accountable to the President for the development and implementation of an effective public information program.
- B. Under supervision of the Senior Vice President for Advancement and Community Engagement, the Vice President of Communications exercises staff responsibility for coordinating and developing procedures for the dissemination of public information pertaining to and carrying out the business of the College.
- C. The Vice President of Communications develops the annual plan and budget for the public information program of the College.
- D. Administrators are responsible for maintaining effective community relations programs for the College, consistent with collegewide plans for communications. This should be accomplished through suggestions for timely news releases, sponsorship of activities to which the public is invited, and encouragement of the faculty, staff, administrators, and students to support community activities. Administrators also should keep the Vice President of Communications informed of potential or existing problems of public concern, criticism, or commendation of the College.
- E. Deans and Department Chairs, in collaboration with the Vice President of Communications, Strategic Communications Director, and Marketing Director are responsible for developing promotional brochures and other materials pertaining to their programs.
- F. The Office of Information Technology will provide implementation and ongoing maintenance support of the technology tools the College selects for sharing and disseminating of information pertaining to and for carrying out the business of the College.
- G. All employees should support the College's community relations program by recognizing within their own sphere of activity those College events that have public appeal and by providing facts to the Vice President of Communications and Director of Community Engagement for news releases and dissemination.

- H. Individuals who are so qualified should take advantage of opportunities to represent the College in community forums.

III. College Logo

- A. The Montgomery College Graphics Standard Manual provides the only sanctioned marks and correct usage for use of the logo system. No other marks or symbols may be used to replace the official Montgomery College logo system. The use of any marks or symbols in conjunction with the Montgomery College logo must be approved by the Vice President of Communications. Creation of any new marks must be approved by the Vice President of Communications.
- B. The logo system of the College shall be applied consistently throughout all College communications, including in print, digital, display, broadcast and other electronic formats. The Vice President of Communications or designee is authorized to manage and enforce the Montgomery College logo system consistently throughout the College. The production or use of any public materials containing the College's name, logo and/or related insignia, for all internal or external publicity or promotional purposes must comply with the College's Graphics Standard Manual. Examples of such public materials include, but are not restricted to, letterhead, marketing campaigns, advertising, posters, videos, commercials, billboards, merchandise, brochures, displays, magazines and newsletters.
- C. Where the College's Graphics Standard Manual does not address the reasonable requirements of an academic, student affairs, or administrative unit for creative, marketing, or other reasons, the Vice President of Communications may allow a deviation or make unique provisions. If there can be no resolution between the Vice President of Communications and the head of the academic, student affairs, or administrative unit, such matters shall be referred to the Senior Vice President of Advancement and Community Engagement for resolution.

IV. News Releases and Media Relations

- A. All inquiries from the media are to be referred to the Media Relations Director and/or the Vice President of Communications or his/her designee. The Media Relations Director and Vice President of Communications will ensure a clear, timely, coordinated, and consistent College response to inquiries. Exceptions are made for the release of information pertaining to data on athletic teams and events, which will be handled by the Athletic Director or his/her designee.
- B. Since positive media exposure is an essential element of the College's communications plan, all ideas or suggestions/initiatives for contacting the media shall be approved in advance by the Office of Communications. Conversely, the Vice President of Communications and the Media Relations Director should be immediately notified if occurrences could rise to the level of a news story.
- C. If an employee is questioned by news media representatives, bloggers, authors, or other journalists to provide official comment about matters of the College, and if the Vice President of Communications, Media Relations Director or his/her designee is not immediately available to assist, the employee should decline the interview request and refer the news media representative to the Office of

Communications. Matters of the College are defined as including, but not limited to, College policies and procedures, academic programs, athletic programs, student affairs programs, or other functions or entities of the College. In order to ensure accuracy, consistency, and compliance with public information regulations, public statements involving college policy, official position, staff, or students may not be released by an employee without consultation with the Office of Communications. Employees should immediately notify the Office of Communications about any inquiries from news media representatives, bloggers, authors or other journalists.

- D. In the event of a crisis or emergency situation, the Vice President of Communications and Director of Media and Public Relations will manage all contacts with news media and will coordinate information flow from the College to the public. In such situations, all College departments should refer calls from news media to the Office of Communications. The Office of Communications will work with the Office of Public Safety, Health, and Emergency Management to coordinate the subsequent release of information to news media and the public.
- E. No lists of names, addresses, or phone numbers of College employees, alumni, donors, volunteers, or students will be provided to individuals or firms for advertising or other purposes.
- F. Information pertaining to personnel appointments will not be released until after Board of Trustees action confirming appointments made by the President, unless specifically authorized by the President or one of the vice presidents.
- G. News releases pertaining to members of the Board of Trustees, individually or collectively, must be cleared with the President or Chief of Staff/Chief Strategy Officer in the absence of the President.
- H. The College's name, seal, logo, and other visual marks of identification will be included within news releases as appropriate. Its use shall conform to the College's Brand Standards Guide.
- I. News media representatives, other journalists, photography video, and audio crews must seek advance authorization from the Office of Communications if they want to enter classrooms, laboratories, or similar facilities for reporting, photography, or video/audio recording purposes. The request must be made in writing and include a specific date, time of arrival and departure from campus, and names of all crew members. Approval for news media access will be determined to ensure there is no compromise of the privacy and safety of students, faculty, staff, or administrators, or potential harm to College facilities or disruption of classes. If media relations staff are unavailable to accompany a member of the media on campus, at the discretion of the Media Relations Director, members of the news media and photo/audio/video crews may visit College facilities after picking up and displaying a press credential at the campus Office of Public Safety, Health, and Emergency Management. A college parking pass must also be displayed on any crew vehicles and parking shall be in lots designated by the Office of Public Safety, Health, and Emergency Management. The VP for Facilities, the appropriate provost, and the appropriate SVP must be informed of their presence.

V. Marketing, Advertising, and Related Communications

The preparation of all collegewide marketing and advertising requires approval of the Office of Communications.

- A. The Vice President of Communications shall establish a budget and develop a plan to support the marketing goals of the College.
- B. The Office of Communications reserves the right to determine when, where and under what circumstances the College's brand may be used.
- C. Marketing, advertising, or other publicity of the College, or of College programs, events, actions or personnel, including cooperative campaigns with other organizations, is the responsibility of the Office of Communications. No other marketing or advertising may be conducted without prior approval of the Office of Communications.
- D. The use of College resources to promote advancement of commercial interests is not permitted.
- E. All College marketing, advertising, and related communications will be in compliance with applicable state and federal laws regarding required notices.
- F. The College may at times use photographs, audio, and/or video recordings of employees, students, and visitors for the purposes of education, marketing, and student recruitment on behalf of the College via the internet, social media, print publications, and other media.
- G. Employees, students, and visitors are advised that images and videos taken in public spaces and/or at public or college-sponsored events do not require authorization for publication. The College will make every effort to take images and videos as conspicuously as possible. Employees, students, and visitors may elect to not participate by notifying the photographer/videographer or support personnel at the time that photos and/or videos are being taken.
- H. A likeness release form will be obtained in all instances involving minors and when an image and/or recording is taken where an individual can be identified and is the primary focus of a specific image.

VI. Alumni Affairs

The responsibility for alumni affairs, including alumni relations, retiree engagement and relations, recordkeeping, alumni events and alumni communications rests with the Director of Alumni Relations. The Director will budget funds sufficient for appropriate communications and outreach to alumni. The Director will manage contact information and biographical information on former students. Communication and marketing programs by the Director of Alumni relations should comply with College procedures for public information, communications and branding.

VII. Publications by Administrators, Staff, or Faculty

- A. College administrators, staff and faculty are encouraged to submit articles or other writings to professional journals or other periodicals for publication in print, on the web, or other media. College administrators, staff and faculty should not, however, represent a policy or practice as that of the College unless the article containing such a representation has been reviewed by the person administering that policy or practice.
- B. Authors of articles about projects financed by outside grants are responsible for knowing and following any regulations regarding publication.
- C. Notification of publications by College personnel should be sent to the Office of Communications. The Vice President of Communications and Media Relations Director will offer suggestions to the author for publicizing the publication to the College community.

VIII. Electronic Communications

- A. Use of all electronic communications including email, texts, social media, and websites detailed in this procedure shall be consistent with the mission of the College and in compliance with all other applicable Board of Trustees' policies as well as all applicable laws, procedures, rules, and regulations. The College has the authority to remove or restore access to electronic communications owned or maintained by the College and to discipline any user who is believed to have violated College Policy and Procedure 66001-Acceptable Use of Information Technology.
- B. Montgomery College encourages the use of electronic communications to share information and knowledge in support of the College's mission. Therefore, the College provides various electronic communication resources and services. In order to develop a sound public information program, the College must ensure that communications, whether external or internal, are professional, organized and purposeful. The College's electronic communication resources must be used in a manner that accurately reflects the College's mission in a consistent manner to external and internal constituencies and in accordance to College policies and federal and state laws and regulations. Established standards/processes areas including but not limited to internal and external email, websites, applications (apps), social networking representing the College and using College facilities and equipment, etc. will reflect a unified College approach to each type of electronic communication resource made available by the College for use by its faculty, administrators, staff, alumni, retirees, friends, and students. The Vice President of Communications and the Vice President of Instructional and Information Technology/CIO are accountable to the President for the development and implementation of standards/procedures related to electronic communications.
- C. Broadcast Email and Text Messaging:
 - 1. A broadcast email or text message is defined as any electronic message that is distributed via email or text (Short Message Service – SMS) simultaneously to 50 or more of the College's external or internal constituents. Overuse of broadcast emails and text messages negatively

impacts the College's ability to deliver messages of critical importance.

2. Broadcast email and text messages to students, faculty, staff and administrators are reserved for the following purposes:
 - a. Communication with students for academic purposes.
 - b. Regularly scheduled broadcast emails or text messages that are sanctioned by the Office of the President or the Office of Advancement and Community Engagement that are used in the normal course of business or operations and are intended to keep the College community and its constituents informed.
 - c. Communication between governance councils and with appropriate council constituents.
 - d. Communication between union officers with union members.
 - e. Urgent notification of campus emergencies or circumstances that affect campus operations or safety.
 - f. Required notices and reminders of impending deadlines that affect student standing or employee benefits.
 - g. Announcements from the president, senior vice presidents, chief of staff, campus provosts, chief human resources officer, vice president of Instructional and IT/CIO, vice president of Communications, vice president of Facilities and Security or their designees.
3. The Office of Communications will evaluate the suitability of other messages on a case-by-case basis.

D. Social Media

Montgomery College believes that having a presence in social media allows the College to disseminate information and interact with the public and important constituencies using the most current technologies. Social media is defined as: Works of user-created video, audio, text or multimedia that are published and shared in a social media environment, such as a blog, application or video hosting site.

1. All use of social media by the College must comply with the College's Web Privacy Statement with regard to Personally Identifiable Information Privacy.
2. Use of College social media platforms by students shall comply with the Student Code of Conduct policy and procedure regarding online activities
3. The College may have accounts on multiple social media platforms, which officially represent the College and are administered by the Office of Communications. The Office of Communications is responsible for monitoring of these accounts to ensure compliance with College policy and procedures, appropriate use, accuracy, and timeliness of information.
4. Separate official social media accounts that represent a department of the College may be established with the approval of The Office of

Communications. Each College department is responsible for ensuring compliance with College social media policy and procedures, appropriate use, accuracy, and timeliness of information. The Office of Communications may request removal of such accounts if they are deemed to be out of date or of minimal value, or in conflict with the College's overall social media strategy. In such cases, the Office of Communications shall offer assistance via the College's official social media platforms.

5. Affiliating (such as "following" or "friending") with other entities on social media platforms should be done to facilitate dialogue and does not constitute an endorsement by the College. Such social media affiliations should be terminated if the communications are deemed inappropriate by the Office of Communications or otherwise violate College policy and procedures.
6. Personal social media accounts, blogs or other Internet sites that are operated by College employees, students, or consultants shall not represent that such accounts are being officially sanctioned, sponsored, or provided by the College. Such accounts shall not use the College's trademarks and logos without permission, and shall contain a prominent disclaimer stating that "the account/page/site is not endorsed, sponsored or provided by or on behalf of Montgomery College."

E. Internal Email

The use of the College's email shall comply with the Acceptable Use Policy and applies equally to all employees, students, interns, and consultants.

F. Montgomery College Internet Sites

Internet Sites: General oversight for content of the College's web pages, and policies governing the use of these resources, is the responsibility of the Office of Communications. Oversight of the technical functionality of the College's websites is the responsibility of the Office of Information Technology. All College web pages shall comply with [College Policy and Procedure 66004–Electronic Information Technology Accessibility](#).

1. The purpose of the Internet sites standard is to ensure accuracy, consistency, integrity, and protection of the identity and image of the College by providing a set of standards and guidelines for Montgomery College's websites.
2. The College maintains the www.montgomerycollege.edu Internet site, which may include other special-purpose sections, such as student blogs. The College may establish other sites on additional Internet domains as deemed necessary for supporting the College mission and approved by the senior vice president of the Office of Advancement and Community Engagement.
3. This procedure applies to all official Montgomery College material, and to

all unofficial content posted by individuals and student groups within the College's Internet domain.

4. Style and Content Guidelines: A single content management system (CMS) has been adopted as a standard for Montgomery College websites to ensure compliance with style, content, and branding standards. Information on the style and content guidelines established for montgomerycollege.edu websites is located at <https://www.montgomerycollege.edu/website-resources/mc-web-style-guide.html>.
5. Roles and Responsibilities: Designated content managers are encouraged to publish information on the appropriate sections of the montgomerycollege.edu websites as specified by the site's information architecture and approved by the Office of Communications.
6. Designated content managers who create or maintain one or more website pages will assume responsibility for the accuracy, quality and currency of the page content, as well as compliance with the College Style Guide and Brand Standards. Designated content managers will be held accountable for compliance with appropriate College policy, rules, and regulations as well as local, state, and federal laws.
7. Administrators shall continuously ensure that their respective web pages or sites:
 - a. Comply with the guidelines established in this document
 - b. Are consistent with College mission, vision, and call to action
 - c. Comply with ownership rights of intellectual property
 - d. Are developed and managed with a responsible use of resources
 - e. Protect copyrighted information and materials
 - f. Use licensed software
 - g. Are used strictly for College purposes (e.g. no personal business, personal advertising, etc.)
 - h. Will not cause computer or network loads that impair other services
 - i. Are consistent with College policies, rules, and regulations and with local, state, and federal laws
 - j. Refrain from linking to non-College sites which are known to violate the above; and
 - k. Are reviewed periodically to ensure the information contained in them is up to date. It is expected that all websites be reviewed by their respective administrators and updated whenever possible or at least four times a year.
8. All College website content must be maintained by or sponsored by an employee as approved by the Office of Information Technology or the Office of Communications. Student organization representatives must designate a faculty or staff sponsor contact email address and contact information.
9. The Office of Communications has content administration responsibility

for the College's web presence (www.montgomerycollege.edu). As needed, this Office will review and approve College websites for brand image integrity and information related to institutional mission and purpose.

10. The Office of Communications reserves the right to edit or delete content that is not consistent with the College mission, the Style Guide, Brand Standards and Acceptable Use Policy:

Sites found to be in violation of the guidelines and other College policy will be removed immediately if contact cannot be made with the web account holder in order to bring the page into compliance. Individual breach of a policy of acceptable use may lead to the loss of privilege of using the College's websites and other penalties indicated under College policy. A violation of College policies, rules, and regulations, or with local, state, and federal laws including laws concerning copyrights, or obscenity also may lead to student expulsion or employee termination. Failure to maintain up-to-date information may result in removal of the department or organization link. Comments or posts deemed inappropriate by the Office of Communications, due to harassing or threatening language, slander or profanity will be removed without prior notice. The Office of Communications may request the assistance of the Office of Information Technology to enforce compliance with these policies.

11. The Office of Communications' staff will review all official Montgomery College websites on a regular basis. Compliance shall be assessed on, but not limited to:
 - a. Accurate and current information
 - b. Functional links
 - c. Accessibility and usability issues
 - d. Style and brand compliance
12. The Office of Information Technology has technical administration responsibility for the College websites (and provides client-centered guidance and support to the College community for the maintenance and development of the College's websites.
13. The Office of Information Technology will maintain the websites that provide information on web site development, web standards and guidelines, and the process for users to build a College website.
14. The Office of Communications and the Office of Information Technology will collaborate with departments and individuals in developing and maintaining website information.
15. The Office of E-Learning, Innovation, and Teaching Excellence (ELITE) sponsors in-service training to College employees on website development, appropriate content and style and branding guidelines, and maintenance as well as on topics related to appropriate use and accessibility.

G. Digital Signage:

1. Montgomery College's digital signage displays provide information about academic programs, educational opportunities, community events, activities, and emergency notifications. The digital signage procedure applies to all campus-based signage (within buildings and in campus common areas) and gateway signage. The digital signage procedure applies to all College-approved content and materials.
2. Digital signage in College buildings and exterior common areas is to be used to provide information on display screens at public areas throughout the campus. Gateway digital signage is to be used to provide information of public interest and emergency information on the display screens at gateways of the campuses.
3. All digital display content will be managed in the College's content management system, and content must follow the College's Style Guide and Brand Standards.
4. The Office of Communications provides general oversight of the College's digital signage displays to insure accurate and timely information, and to ensure compliance with the College's policies, procedures, the Style Guide and Brand Standards.
5. Roles and Responsibilities:
 - a. Only registered student organizations, governance units, academic units, Student Affairs, administrative areas, and the Office of Communications are permitted to display content on the digital signage system. Authorized users are encouraged to publish information provided such information supports the mission of the College and is in compliance with the appropriate College policies and procedures and with all applicable local, state and federal laws, and follows the College Style Guide and Brand Standards.
 - b. Authorized users who create or maintain digital signage content will ensure that their respective content meets the following requirements:
 - 1) Complies with this procedure and with the content management system (CMS) adopted by the College for Montgomery College digital signage displays;
 - 2) Is consistent with College mission, vision, and values;
 - 3) Have written permission to use images of the College community (College personnel and students) within the display design, and are authorized to use trademarked or copyrighted material;
 - 4) Ensures content is only for College purposes (e.g. no personal business, personal advertising, etc.);
 - 5) Is consistent with local, state, and federal laws; and

- 6) Development of plans to periodically review the signage to ensure the information is up to date. All content shall have an end date at which it will be removed from display.
- c. The Office of Communications has content administration authority for the College's digital signage displays and may edit or delete content that is not consistent with the College mission, the Acceptable Use Policy, or the requirements outlined in this procedure. The Office of Communications will periodically review the Montgomery College digital signage displays to ensure:
 - 1) Accurate and current information;
 - 2) Accessibility;
 - 3) Compliance with College digital signage display requirements, policies and procedures, and local, state, and federal laws; and
 - 4) Compliance with College Style Guide and Brand Standards.
- d. The Office of Information Technology has technical administration and maintenance responsibility for the digital signage display hardware and software.
- e. A violation of College policies and procedures regarding digital signage, or local, state, and federal laws may lead to the revocation of rights as a user and to appropriate disciplinary action. Comments or posts deemed inappropriate by the Vice President of Communications or other designee, due to harassing or threatening language, slander or profanity, copyright concerns, erroneous or nonpublic information, may be removed by the College's Office of Communications.

H. Montgomery College Television Standard:

General oversight of the College's cable channel and Internet platforms (YouTube, Vimeo, etc.) and media production services, and procedures governing the use of these resources, is the responsibility of the Office of Communications.

1. Roles and Responsibilities:

The Office of Communications has content administration authority for the College's cable channel operation and will seek to ensure:

- a. Programming is consistent with College mission, vision, and values;
- b. Originally created videos follow College Style Guide and College Brand Standards to ensure writing and graphics are consistent with the MC brand identity;

- c. Have written permission to use images of the College community (College personnel and students) within the video;
 - d. Purpose of channel is only for College, community or Montgomery County Public, Education and Government (PEG) Network purposes (e.g. no personal business, personal advertising, etc.);
 - e. Any sponsorships align within acceptable content and uses of a PEG channel;
 - f. Accurate and current information.
2. MCTV programming will adhere to technical audio and video level standards as outlined by the FCC, and MCTV will only air content that is within FCC guidelines pertaining to obscenity. Programs created by or airing on MCTV will comply with federal copyright law. A violation of College policies, rules, FCC regulations, or federal laws including laws concerning copyrights, or obscenity, may lead to employee reprimand or termination.
3. MCTV programming will include the closed captioning option for all acquired programs that provide captions and will generate closed captioning in English for specified originally produced programs within the guidelines in the federal Americans with Disabilities Act law.

IX. Online Commerce (E-Commerce)

- A. Montgomery College will allow entrepreneurial websites that perform financial transactions only in accordance with its approved policies and procedures, Office of Information Technology standards, Payment Card Industry (PCI) compliance directives, and with the approval of the Office of Business Services.
- B. Credit card numbers and other confidential card holder data (i.e. magnetic strip, track or chip data or card verification code or value) submitted on College entrepreneurial websites must not be stored on College owned information technology resources.
- C. Credit card transaction processing initiated by College entrepreneurial websites must take place on approved information technology resources or third-party information technology resources as approved by the Office of Information Technology and the Office of Business Services. Any such processing must be encrypted at all points of the transaction.
- D. The Office of Business Services oversees the creation of all forms requiring online credit card transactions. All transactions shall be uniquely coded and recorded to provide a transparent audit trail.

X. Periodic Review

It is the Office of Communications' intent to review the effectiveness of its policy and guidelines at least once a year. Academic departments, student affairs departments, administrative offices, student organizations and individuals will be encouraged to direct comments and suggestions to the Office of Communications. Recommendations

developing out of the comments and suggestions will be submitted to the Policies and Procedures Review Committee appointed by the President.

XI. Training

The Office of Communications, Office of Information Technology, and the Center for Professional & Organizational Development are responsible for identifying appropriate training for College employees on adherence of the College's Style Guide and Brand Standards, use of content management systems for electronic communications, and on topics related to appropriate use.

Administrative Approval: June 18, 1984; September 28, 2010; December 13, 2016; June 30, 2017; October 11, 2018; February 22, 2023.

Chapter: Fiscal and Administrative Affairs

Modification No. 001

Subject: **Crowdfunding**

- I. Crowdfunding is an internet-based social fundraising effort in which an individual or group of individuals solicit the general public for donations to support a project or initiative.
- II. The Montgomery College Foundation, Inc. (the "Foundation") has been designated by the College as a receiving agency for all gifts donated to benefit the institution. The College confirms that the Foundation is authorized to support approved technology platforms to host crowdfunding campaigns and, with appropriate approval, will support campaigns launched via an approved platform. All gifts must be compliant with the College's mission.
- III. To ensure compliance with College policies and local, state, and federal laws, all crowdfunding projects must be pre-approved by the appropriate program director, chair, dean, vice president, and/or senior vice president along with the Foundation's crowdfunding committee. Projects cannot violate any laws. Funds may not be re-directed or be used as a pass-through to any third-party entities. The College reserves the right to decline any project based on content or to discontinue an active fundraiser at any time due to a group's eligibility status. The College reserves the right to discontinue any crowdfunding effort without notice for any failure to comply with College policies or if a college group's or student group's status has been deemed ineligible. All monies raised will be used for the stated intention.
- IV. Persons wishing to conduct crowdfunding campaigns must apply to the Foundation on a form specified by the Foundation for this purpose. All crowdfunding volunteers are strictly prohibited from keeping any portion of the funds raised.
- V. The President is authorized to establish procedures necessary to implement this policy.

Board Approval: May 16, 2016

Chapter: Fiscal and Administrative Affairs

Modification No. 001

Subject: **Crowdfunding**

I. Procedure for Establishing Crowdfunding Campaign

- A. The Montgomery College Foundation (the "Foundation") is authorized to approve and coordinate crowdfunding campaigns.
- B. Any person, group or entity affiliated with Montgomery College wishing to conduct a crowdfunding campaign in the name of Montgomery College and in furtherance of its mission shall begin the process by applying to use an approved technology platform in accordance with approved and adopted Foundation policies and procedures
- C. No person, group or entity is permitted to make any use of the name of the College or the Foundation or any of the respective marks or logos of Montgomery College or the Foundation for any purpose unless prior written consent has been granted by Montgomery College and the Foundation
- D. All Montgomery College policies and procedures are applicable to crowdfunding.

II. Crowdfunding Solicitation

- A. Any individual, group or entity interested in creating a crowdfunding campaign on an approved technology platform may submit an application at any time using a form approved by the Foundation. Upon receipt, the Foundation will review the application and arrange a consultation to discuss fund-raising potential, timing, audience and strategies.
- B. If approved, the requestor(s) will be responsible for preparing all materials and information related to their crowdfunding campaign. The Foundation must approve the design, message, timing, and audience of any crowdfunding campaign prior to the launch of the campaign.
- C. The Foundation will work cooperatively with the requestor to create solicitations that will facilitate effective and efficient processing of responses to ensure appropriate content and consistent messages.
- D. All proceeds must be paid to the Foundation following termination of the crowdfunding campaign. Names and addresses (physical and electronic) of the donors, each donor's respective contribution, and the date thereof, must be delivered to the Foundation along with the distribution of the proceeds.

Administrative Approval: May 18, 2016

Chapter: Fiscal and Administrative Affairs

Modification No. 018

Subject: **Procurement, Contracts, and Consultant Services**

- I. The Board of Trustees has authority to enter into contracts for goods and services to carry out the College's mission. The Board of Trustees expects that the College's procurement processes will be consistent with all applicable laws, regulations and ethical standards.
- II. The purposes of this policy creating a procurement system for the College include:
 - A. Providing for confidence in College procurements;
 - B. Ensuring fair and equitable treatment of all persons who deal with the College procurement system;
 - C. Providing safeguards for maintaining a College procurement system of quality and integrity, consistent with conflicts of interests requirements and other requirements of law, regulations and grants;
 - D. Fostering effective broad-based competition to the extent practicable;
 - E. Obtaining maximum benefit from the public funds available to the College to purchase necessary and beneficial College mission-related materials and services;
 - F. Providing increased efficiency and timeliness in College procurements;
 - G. Assuring compliance with changing requirements of law and regulations;
 - H. Supporting governmental priorities and responsibilities, including appropriate encouragement and support for minority contracting and use of environmentally conscientious materials and services; and
 - I. Ensuring that the College utilizes and leverages its purchasing power directly, and through other governmental entities, to meet educational and institutional needs in a timely, economical, effective and responsible way.
- III. The Board of Trustees must authorize by resolution all competitively bid contracts that exceed \$250,000 (full-term) and all sole source contracts that exceed \$100,000 (full-term). The Board delegates to the President, or designee, the authority to procure and enter into agreements for materials and services that do not exceed these stated thresholds.
- IV. All contracts shall be awarded by competitive sealed solicitation unless such contract is below the threshold required, the contract is a Special Procurement, the President, or designee, deems that an emergency procurement or sole source award is appropriate, or there is some other reason in the best interest of the College to use another authorized method.

The College may enter into multi-year contracts for goods and services pursuant to any procedures that may specify or limit terms of such agreements that extend beyond the current fiscal year. The College shall not enter into a contract where any part of the compensation is based on a cost-plus-a-percentage-of-cost of the work performed or goods provided.

- V. Except as otherwise provided, a contract which is entered into in violation of this Policy is void, unless it is determined, upon review, that good faith has been shown by all parties, and that there has been substantial compliance with these policies and procedures. If a contract is void, any contractor who entered the agreement in good faith and without knowledge of any violation or contribution to any violation prior to award may be compensated for actual costs incurred.
- VI. The Board of Trustees authorizes the President to modify contracts previously approved by the Board of Trustees so long as the modification does not exceed 25 percent over the life of the initial contract award amount. The Board of Trustees delegates to the President or designee the authority to enter into contracts for goods and services up to \$250,000 using competitive procurement processes, and award sole source contracts up to \$100,000, consistent with procedures. In the event that College Policy 61001-Fiscal Control is contradictory to this policy, where applicable, this policy shall prevail.
- VII. The College encourages participation in the procurement process from Montgomery County-based firms, minority businesses, and contractors who can provide goods and services to the College in an environmentally sustainable manner. Consistent with applicable procedures, the President or designee must maintain a minority business program to facilitate the participation of responsible certified minority business enterprises.
- VIII. Nothing in this policy should be construed to authorize contract awards that are fiscally disadvantageous or that confer any special privilege or status upon any business or group or individual representing a business.
- IX. The President is authorized to establish procedures necessary to implement this policy.

Board Approval: November 19, 1984; June 16, 1986; July 20, 1987; May 16, 1988; July 17, 1989, effective July 1, 1989; October 16, 1989; June 18, 1990; December 16, 1991; November 15, 1993; February 26, 1996; June 17, 1996; June 15, 1998; December 10, 2001; June 18, 2012; December 14, 2015; June 25, 2018; January 29, 2020

Chapter: Fiscal and Administrative Affairs

Modification No. 019

Subject: **Procurement, Contracts, and Consultant Services**

I. Definitions

- A. Authorized employee: A College employee empowered by role or their supervisor to initiate the procurement process, make purchases, or sign a contract on behalf of the College.
- B. Bid Addendum: A document issued by the College to change a material aspect of an initial solicitation prior to the closing date.
- C. Bidder: A person or entity that submits a proposal in response to a Request for Bid issued by the College.
- D. Competitive Sealed Solicitation: The College's preferred procurement method requiring bidders/offerors to submit sealed bids which are opened in a public forum and the results read aloud at a specific date and time. There are two types of competitive sealed solicitations:
 - 1. Competitive Sealed Bid or Request for Bid: A type procurement method used when the College awards a contract to a bidder solely because the bidder provided the lowest price for the goods or services.
 - 2. Competitive Sealed Proposal or Request for Proposal: A procurement method used when the College issues a list of unique specifications for goods or services and evaluates proposals by offerors based on a range of pre-determined criteria. Notably, price is not typically the primary evaluation factor.
- E. Consultant: A person or company that possesses unique qualifications that allow them to perform specialized services for or on behalf of the College for a fee.
- F. Contract: A written agreement between parties exchanging goods or services for money or other consideration for a specified duration.
- G. Contract Amendment: A mutually agreed upon modification to an existing contract.
- H. Cooperative Procurement: A procurement method involving two or more public entities that combine their needs for goods or services to obtain cost savings and other benefits.
- I. Emergency Procurement: A procurement method which typically waives formal competitive bidding procedures based on a need to purchase goods or services for an unexpected or urgent reason such as risks of health and safety or the conservation of public resources.
- J. Interagency Procurement: The purchase of goods or services from a federal, state, or local government agency, or political sub-division of a state or school or school system, whereby the best interest of the College is served.

- K. Offeror: A person or company that submits an offer/proposal in response to a Request for Proposal issued by the College.
- L. Open Market Purchase: A procurement method permitting an authorized college employee to obtain a single quote for the goods services when if the amount is less than threshold required for the competitive procurement process.
- M. Procurement Through Other Agency (PTOA): A form of intergovernmental cooperative purchasing in which an entity will be extended the pricing and terms of a contract entered into by another entity. Generally, one entity will competitively award a contract that will include language allowing for other entities to utilize the contract, which may be to their advantage in terms of pricing, thereby gaining economies of scale that they normally would not receive, if they competed on their own.
- N. Prohibited contract: Any contract where any part of the compensation is based on a cost-plus-a-percentage-of-cost of the work performed or goods provided.
- O. Quote: A pricing document that a vendor submits in response to a request for goods or services.
- P. Requisition Form: A form submitted by an authorized college employee to initiate the request to purchase goods or services.
- Q. Request for Quote: A document issued by the College requesting prices from potential vendors for goods or services.
- R. Responsible bidder/offeror: A business entity or individual who has the integrity and reliability as well as the financial and technical capacity to perform the requirements of the solicitation and subsequent contract.
- S. Responsive bidder/offeror: A bid or proposal that fully conforms in all material respects to the Request for Bid or Request for Proposals, and all of its requirements, including all form and substance.
- T. Small procurement (request for quote): A purchase valued at less than the competitive sealed bid or proposal threshold, but higher than the open market purchase threshold.
- U. Sole Source: A non-competitive method of procurement used when only a single vendor meets the specifications listed in the solicitation, or because only one vendor is available to provide the goods or services or because of the need for an emergency procurement.
- V. Special Purchasing Request Form: A form required by an authorized employee who requests a specific brand, sole source, or emergency procurement exceeding \$10,000.
- W. Vendor: A person or company that provides goods or services.

II. General

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- A. The President has delegated the responsibility for meeting the College's needs for goods and services to the Director of Procurement. The Director of Procurement shall:
1. Establish internal procedures consistent with best practices to promote an efficient procurement process in compliance with federal, state and local laws;
 2. Provide technical assistance and advice to authorized employees and provide guidance on which procurement processes to use;
 3. Publicly advertise competitive sealed bids or competitive sealed proposals in timeframes specified by procedure;
 4. Keep informed of current developments in the field of purchasing, prices, market conditions and new products;
 5. Maintain vendor catalogs and other current market information regarding goods and services to be made available to faculty and staff of the College;
 6. Ensure that all purchases, procurements and contracts are made in the best interest of the College and in an ethical manner.
- B. College procurements are effectuated using one or more of the following methods:
1. Open Market Procurement (contracts and purchases up to \$10,000)
 2. Small Procurement (contracts and purchases between \$10,001 and \$25,000)
 3. Competitive Sealed Solicitation (over \$25,000)
 4. Special Procurements
 5. Purchasing and Corporate Card
- C. The College will follow the below processes to ensure information and communication technology is purchased or acquired by the College is accessible pursuant to College Policy and Procedure 66004-Information and Communication Technology Accessibility:
1. Vendors must be asked to provide information about the accessibility of their products through the use of a VPAT.
 2. The information provided by vendors must be valid, measured using a method that is reliable and objective.
 3. Those making procurement decision must be able to objectively evaluate the accessibility of products, and to scrutinize the information provided by vendors. The Office of Information Technology, in conjunction with the director of ADA Compliance will provide assistance with review of documentation in determining the accessibility of new technology.
 4. The most effective means of providing equal access to multimedia (i.e., videos, movie clips, DVDs, films, etc.) is through the use of products with open or closed captioning or subtitles. It is the responsibility of all units/departments, administrators, faculty, and staff to utilize only media products with open or closed captioning or subtitles, and/or provide an

alternate format, such as a script.

- D. No college operating funds will be used for the purchase of gift cards for college employees. In addition, student gift card purchases are prohibited unless prior documented approval is obtained from the Senior Vice President of Administrative and Fiscal Affairs with the advice of the Director of Procurement.

III. Methods of Procurement

A. Open Market Procurement – PURCHASES UP TO \$10,000

- 1. An authorized employee shall obtain a single, valid price quote from a vendor and forward the quote to the Office of Procurement, along with requisition, for review, approval and purchase.
- 2. Requesting departments may not split requisition into separate requests to circumvent the procurement process.

B. Small Procurement (Request for Quote) – PURCHASES \$10,001 to \$25,000

- 1. An authorized requesting department employee shall work with the Office of Procurement to obtain a minimum of three valid price quotes from at least three different vendors, one of which must be local or minority to the extent possible.
- 2. Procurement staff shall award contract to vendor who provides the lowest responsive/responsible price for the requested goods or services.

C. Competitive Sealed Solicitation – Purchases Greater than \$25,000

- 1. When applicable, the competitive sealed solicitation process is the College's preferred method for procuring goods and services. It is comprised of the following two solicitation types:
 - a. Request for Bid (RFB):

Used to solicit competitive sealed bid responses for goods or services, when price is the sole basis for award.
 - b. Request for Proposal (RFP):

Used to solicit competitive sealed for goods and services when price is not sole basis for award.
- 2. Solicitation Process
 - a. Requesting department shall work with the Office of Procurement to development solicitation specifications. The specifications must include the following:
 - 1) A comprehensive description of all requested goods and/or service requirements.

- 2) The closing date, time, and location of solicitation.
 - 3) If a specific brand or patented goods or services are required by the College, and which are obtainable in two or more equally competitive brands, acceptable “or equal” language must be included in solicitation.
 - 4) Contract award criteria.
 - b. Solicitation shall be made available to vendor community for a minimum of 14 days from issuance date.
 - c. Announcement of solicitation shall be posted on the Maryland State e-procurement website, in addition to the College’s procurement website.
 - d. Associated solicitation addenda shall be issued, as needed.
 - e. The College reserves the right to extend solicitation closing dates, as needed.
 - f. After solicitation closing date, all received bidder proposals shall be evaluated by appropriate College staff in accordance with evaluation criteria contained in solicitation.
 - g. The College reserves the right to allow best and final offers, if it is in the best interest of the College.
 - h. Contract award will be made to lowest priced, or highest ranked responsive/responsible participating bidder.
 - i. In the case of tie solicitation responses, the tie shall be resolved by award to:
 - 1) The in-county bidder rather than in-state bidder.
 - 2) The in-state bidder rather than out-of-state bidder.
 - 3) The minority vendor rather than the majority vendor.
 - 4) All other tie bids shall be resolved by a toss of a coin.
 - j. A record of all tie bids shall be made and forwarded to the General Counsel.
 - k. If a College employee has a reasonable, good faith basis to believe that the procurement process has been compromised in any way or that a law, regulation or College policy or procedure has been violated, the College employee should report those concerns to the either the Office of Compliance, Risk and Ethics or to the General Counsel and include any documentation or evidence as part of the report..
3. Cancellation and Rejection of Competitive Sealed Solicitations

- a. Every solicitation issued shall state that the solicitation may be cancelled when it is in the best interest of the College to do so.
 - 1) Cancellation prior to opening. If the Director of Procurement determines that it is in the best interests of the College to cancel a solicitation prior to opening bids or proposals, all bids or proposals received shall be returned to the vendors and a notice of cancellation shall be included. Criteria for determination may include, but not be limited to:
 - a) Restriction of funding for project.
 - b) Imperfection in bid document.
 - c) Defective notice of advertisement.
 - 2) Rejection of all bids or proposals. If after opening bids, but prior to award, the Director of Procurement determines that it is in the best interest of the College to reject all bids or proposals, all open bids or proposals shall be retained and a notice of rejection shall be sent to all vendors that submitted bids or proposals. Criteria for rejection may include but not be limited to:
 - a) All bids exceed budgeted funds.
 - b) Imperfection in bid document discovered after public opening.
 - c) Defective notice after opening which would prove injurious to bidders.
 - 3) Determinations of reasons for cancellation or rejection shall be made part of the procurement file.
 - 4) The Director of Procurement shall issue a report to the President of all bids or proposals canceled or rejected that exceed \$25,000, with justification for such action as it occurs.
 - 5) The Director of Procurement shall have the right to waive any minor technicality or deficiency when it would be an advantage to the College.
- b. Every solicitation issued by the College shall provide that any bid or proposal may be rejected in whole or in part when it is in the best interest of the College to do so.

4. Bid and Contract Security

The Director of Procurement is authorized to require a bid or performance bond if the circumstances warrant. This bond shall be provided by a surety company authorized to do business in the State of

Maryland, or the equivalent in cash, or in a form satisfactory to the President. No bid, performance or payment bond may be required for contracts less than the minimum set by state law, unless otherwise required by law or a grant.

- a. Bid Security. For contracts that exceed \$25,000, the College may require submission of bid security in an amount equal to at least five percent of the total amount bid at the time the bid is submitted. If bid security fails to accompany the bid, it shall be deemed unresponsive, unless the Director of Procurement deems the failure to be non-substantial.
- b. Performance and Payment Bond. Performance and payment bonds are required in all construction contracts that exceed \$25,000, and may be required in all other contracts that exceed \$25,000. Performance and payment bonds shall be in the amount equal to at least 100 percent of the contract price. Payment bond requirements may be reduced to 50 percent prior to solicitation, if it is determined to be in the best interest of the College to do so.

5. Irrevocability and Withdrawal of Offers

Bids, proposals and best and final offers are irrevocable for the period specified in the request for bids, request for proposals or request for best and final offers except the President or designee, upon recommendation from the Director of Procurement, may permit the withdrawal of a bid, proposal or best and final offer.

D. Special Procurements

1. Sole Source

Sole source procurement is authorized if, in the opinion of the Director of Procurement, the requirements of the College can be satisfied by only a single vendor.

- a. Any request that a procurement be restricted to a single vendor shall be accompanied by an acceptable explanation as to why no other shall be suitable or acceptable to meet the need.
- b. The Director of Procurement shall conduct negotiations as to price, terms and delivery, as appropriate.
- c. Contracts that are the result of a sole source procurement that do not qualify as a "Small Procurement" shall be approved by the Board of Trustees.

2. Emergency Procurements

- a. In the event of an emergency involving the expenditure of over \$25,000, the Director of Procurement, with the approval of the Senior Vice President for Administrative and Fiscal Services,

may enter into non-competitive negotiation for the immediate procurement of goods or services necessitated by the emergency.

- b. In the event of an emergency, the Director of Procurement may award a contract through non-competitive negotiation, obtaining such competition as is practical.
- c. The Director of Procurement will submit an annual report to the President which summarizes the procurements of an emergency nature.

3. Cooperative Procurement

- a. When it is determined by the Director of Procurement that cooperative purchasing efforts may result in a fiscal advantage to the College, the Director is authorized by the President to enter into a cooperative procurement process with other state and local agencies for the purpose of developing specifications, terms, and conditions.
- b. The Director of Procurement may bid the cooperative agreement for participating agencies and make available certain facilities necessary to form a contract, if an award results from the process.
- c. Under no circumstances shall the College assume any obligation for performance, payment or other duty implied nor shall it be construed that the College may be held accountable for any agency participating in the cooperative effort.
- d. All purchases under such contracts shall be in accordance with policies approved by the Board of Trustees.

4. Interagency Procurement

- a. The Director of Procurement may procure goods and services from state and local agencies whenever it is advantageous for the College to do, and such goods and services meet all requirements of the College. An example of such agencies are, but not limited to:
 - 1) Maryland State Agency for Surplus Property
 - 2) Montgomery County Public School Warehouse
- b. The Director of Procurement shall determine that price, quality, and availability are satisfactory and competitive and shall establish necessary controls for fiscal responsibility. Under no circumstance will budgetary constraints be waived when purchasing from another governmental agency.

5. Procurement Through Other Agency (PTOA)

- a. The Director of Procurement shall have the authority to contract for goods or services that are the subject of a current contract of a Federal, State, or local government or agency, political subdivision of a state school system where the contract was the subject of appropriate competition, and is in the best in interest of the College. Best interest can be determined by price, timeliness, or associated realized efficiencies.
- b. The Office of Procurement shall seek out public agency minority awarded contracts for possible use, when available and applicable.
- c. Long term PTOAs shall be reviewed by the Director of Procurement on an annual basis to ensure it remains in the College's best interests to continue to utilize them.
- d. The Director of Procurement shall submit a report and review with the President details of all PTOAs on a semi-annual basis.

E. Purchasing and Corporate Card

The use of the purchasing and corporate card shall be done in accordance with card program guidelines. Refer to purchasing card user guide, and corporate card guidelines for more information.

IV. Procurement from Minority Businesses

- A. The Director of Procurement shall encourage by all reasonable and practical means the participation of minority and disadvantaged businesses in the procurement process of the College.
 1. The Office of Procurement shall maintain a list of certified minority businesses, via the Montgomery County Minority/Female/Disabled (MFD) business database. This list will be assembled by dedicated Montgomery County Government employees.
 2. The Montgomery County MFD database businesses will be solicited for quotes, bids and proposals. If no qualified minority businesses are identified, other entities will be canvassed in an effort to assure Minority, Female, and Disabled business participation.
 3. Vendors shall be encouraged to identify themselves to the College as minority or disadvantaged entities.
 4. The Director of Procurement shall create, seek out, and participate in activities which encourage, stimulate and assist minority businesses in the procurement process at the College. These efforts may be within the College or cooperative efforts with other state and local agencies.
- B. The Director of Procurement shall attempt to achieve the target of minority business participation of 15 percent of the total dollars awarded through the procurement process.

- C. The Director of Procurement shall report to the President annually the total number and value of the College's purchases from minority business enterprises, and the percentage which these purchases represent of the total dollars expended during the fiscal year.

V. Preference for Montgomery County Products

- A. The Director shall solicit bids or proposals from Montgomery County-based firms whenever it is reasonable and practical, and is deemed to be in the best interests of the College to do so.
- B. Vendors shall be asked to indicate location of principal place of business on the bidder's application form as a means of identifying such county-based firms.

VI. Procedures for Federal Grant-Funded Purchases

- A. For all federal government grant-related requests, Montgomery College will consider the use of federal excess or surplus property in lieu of the purchase of new equipment and property, when applicable.
- B. For all federal government grant-related requests, Montgomery College will reach out to small and minority business organizations for possible participation, when applicable.
- C. For all federal government grant-related requests, Montgomery College will procure items designated in EPA guidelines at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery, and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

VII. Procurement Exceptions

The following goods and services are exempt from the competitive procurement process:

- A. Purchases of print (hardcopy) and non-print (digital) library and learning resource material, defined as texts, videos, software, and other materials that teachers use to assist students with meeting learning expectations.
- B. Merchandise purchased for resale. The Office of Procurement may assist and advise limits to obtain the best fiscal advantage.
- C. Consistent with the provisions of Section 213 of the Montgomery County Charter and the provisions of the Montgomery County Code 11B-4(a), contracts for the services of special legal counsel or for the services of experts, consultants and investigators, deemed appropriate by the General Counsel, whether in anticipation of litigation or in preparation for a trial or a compliance issue.

VIII. Protests and Disputes

- A. The Director shall inform the President and General Counsel upon receipt of the protest.
- B. The Director shall comply with all applicable federal, state and local laws regarding requests for information and timely decision.
- C. The Director shall confer with the General Counsel and the President prior to issuance of a decision regarding disputes of contracts or awards in excess of \$25,000.
- D. Decisions shall be transmitted to interested parties within 30 days of filing of written protest by certified mail, return receipt requested, or by any method that provides evidence of receipt.

VIX. Resolution of Protests and Disputes

- A. Pursuant to the procedures, the Director of Procurement may, consistent with the budget and all applicable laws, regulations, and Board policies, negotiate and resolve protests and disputes relating to the formation of a procurement contract with the College. The Director shall inform the President of controversies involving the formation of contracts pursuant to the procedures. Protests may be addressed to the Board only through the President.
- B. An interested party (actual or prospective bidder, offeror, or contractor) may protest to the Director of Procurement an award or proposed award of a contract for supplies, services, maintenance, or construction.
 - 1. The protest shall be in writing and addressed to the Director of Procurement of the College.
 - 2. Protests must be filed with the Director within ten (10) days of the announcement of award or intent of award, whichever comes first.

X. Reporting

The Director of Procurement shall produce a report of all procurement activity on a semi annual basis, and deliver to the President. Procurement activity includes the following:

- A. All competitive contract awards
- B. All special procurements
- C. Purchasing and Corporate card usage/spend.
- D. Issued purchase orders
- E. Percentage contract minority business enterprise contracts awards
- F. Percentage of contract awards within County, within state of Maryland, and out of state.
- G. Cancelled solicitations that exceed \$25,000.

XI. Consultant Services

- A. When requesting consultant services, requestor shall:

1. Complete and submit an online requisition to the Office of Procurement.
2. Follow the general procurement process, including all dollar thresholds.

C. Guidelines for Requesting Consultant Services

1. If the advice they are to give or the service they are to provide cannot be furnished by faculty, staff, administrators, or students without interfering with the performance of their normal functions and without a conflict of interest, a consulting specialist may be used with the approval of the appropriate Senior Vice President.
2. Prior to initiating a request for the services of a consultant, the initiator should consider contacting the professional staff of associations or societies with which the College has membership and whose activities impinge on the area for which consulting service is needed. The initiator should determine if the association provides advice or service of the type needed by the College and if the association's resources can be used by the College.
3. Unless the material contained in a consultant's report is confidential, the contents of the report should be available to all College personnel who have responsibilities related to the report.

D. Process for Requesting Consultant Services

When the need for the services of a consultant has been determined, the requester will submit a completed online requisition, to include the following:

1. The need to be served by the use of a consultant.
2. A complete Statement of Work (SOW).
3. The cost estimated that would be incurred for obtaining consulting services. Costs for per diem, or travel, if any, should be shown separately.
4. A statement indicating other resources, if any, which have been explored before resorting to the use of a consultant.

XII. Contracts

A. Initiation

1. A contract may be initiated by an authorized College employee.
2. When possible, the standard college contract format should be utilized. Authorized employees should contact the Office of Procurement for a copy of the standard format.
3. For those contracts for which there is no standard college format, an authorized employee should contact the Office of Procurement or the

General Counsel's Office for assistance.

4. Use of vendor prepared contracts must be reviewed by the department administrator, Office of Procurement, and General Counsel prior to execution.
5. The General Counsel shall review and approve proposed contracts for form and legality. In those instances where the General Counsel has approved a standard contract, this approval is not required as long as there are no substitutions for, additions to or deletions from the standard approved language.

B. Review and Execution

1. The President has delegated the general authority to execute contracts on behalf of the College to the Senior Vice President for Administrative and Fiscal Services, the Senior Vice President for Academic Affairs, the Senior Vice President for Student Affairs, and the Senior Vice President for Advancement and Community Engagement. All Senior Vice Presidents may sub-delegate contract execution within their perspective areas of responsibility. Sub-delegation authority must be submitted in writing to the Office of Procurement. Contract execution sub-delegation authority shall not exceed \$25,000.
2. It is the responsibility of the originating office, the appropriate supervisor and the appropriate administrator(s) to review and approve all contracts before they are transmitted for execution on behalf of the College. Administrator(s) will be held accountable for contracts.
2. Generally all signatures from all parties should be obtained before a contract is signed by the authorized individual on behalf of the College.
3. Two original copies of every contract should be submitted so that the College and the contractor may each have an original.
4. Unless otherwise specified, after an agreement is executed, the initiator is responsible to the appropriate major administrator for the administration of the agreement.

C. Distribution

Upon execution of the agreement by all parties, copies of the contract will be distributed by the originating/initiating office as follows:

1. General Counsel
2. SVP of Administrative and Fiscal Services or Designee
3. Originating Office
4. Contractor (if appropriate)
5. Implementing Office (if not one of the above)

D. Reporting

Each Senior Vice President shall submit to the General Counsel by September 1 of

each year an annual report of all contracts signed pursuant to the delegated authority during the previous fiscal year.

Administrative Approval: November 20, 1984; April 23, 1985; June 16, 1986; January 12, 1987; May 16, 1988; July 27, 1989; July 14, 1990; January 5, 1993; March 20, 1995; February 26, 1996; March 24, 1997; June 15, 1998; January 3, 2000; December 10, 2001; August 13, 2010; February 9, 2016; February 2, 2017 (administrative correction only); June 30, 2017; June 28, 2018; January 31, 2020; June 22, 2021

Chapter: Fiscal and Administrative Affairs

Modification No. 007Subject: **External Audit**

I. Legal Authority

In accordance with the legal requirement imposed on community colleges by the State of Maryland, The Annotated Code of the Public General Laws of Maryland, State Finance and Procurement Article, Title 16, §16-315, *Fiscal Matters, Audits*, each community college shall have an annual audit of its books of accounts, accounting procedures and principles. The audit will be conducted by an independent certified public accountant unless arrangements have been made prior to the fiscal year for the audit to be conducted by the Legislative Auditor of the State of Maryland.

II. Annual Audit Results

It shall be the College's intent to comply fully with the required report filing dates specified in the State audit regulations. Any delay, whether anticipated or unforeseen, that would cause noncompliance with the filing dates must be promptly brought to the attention of the President in writing by the Vice President of Finance/Chief Financial Officer. Such prompt notification shall be for the purpose of resolving the anticipated delay or proposing to the President that an extension of filing time be requested of the Maryland Higher Education Commission.

On or before September 30th, or within three months after the close of the College's fiscal year, the External Auditor shall submit the audited financial statements to the Board of Trustees.

III. Annual Audit Report Certification

The final audited report shall contain a statement from College management attesting to the completeness and accuracy of the report. This statement shall be signed by the President and the Senior Vice President for Administrative and Fiscal Services.

IV. Selection of Audit Firm

- A. On a periodic basis, but not less than every five (5) years, the College will issue a Request for Proposal (RFP) for a certified public accounting firm to perform annual financial audits. College staff will use due diligence in evaluating firms submitting proposals, and a recommendation for firm selection shall be brought to the Board of Trustees for action.
- B. The Board, by resolution, will award the contract for three fiscal years and will authorize the President to extend the contract one fiscal year at a time for two additional fiscal years provided that funds have been authorized, the quality of past services has been acceptable to the College, and the fee for the extended contract is considered reasonable by the College.

V. Meetings

Meetings between the Board of Trustees and the audit firm representative(s) shall be held in accordance with 11001 Board of Trustees Bylaws.

VI. Audit Reporting

The Board shall consider the External Auditor's findings and recommendations, the responses to the findings and recommendations, and the President's recommendations in the matter.

VII. Non-Audit-Related Services

Independent auditors are prohibited from providing services that are barred by the Sarbanes-Oxley Act or their statement of ethics. These prohibited services are listed in College Procedure 64001CP.

VIII. Full and Fair Disclosure

College employees are prohibited from improperly influencing, or attempting to influence, the audit process and shall comply with this process by providing full and accurate disclosure of College information.

IX. Responsibility

The President is authorized and directed to establish procedures to implement this policy.

Board Approval: November 17, 1975; October 16, 1978; April 21, 1980; October 16, 1989; October 17, 1994; May 16, 2005; February 25, 2014.

Chapter: Fiscal and Administrative Affairs

Modification No. 006

Subject: **External Audit**

I. A qualified independent auditor will perform an annual audit of the College books of accounts, accounting procedures, and principles. Consistent with the Board Policy and given the critical nature of external auditing, the selection, award, and management of the external audit should be undertaken in such a manner that:

- A. Clearly identifies the scope of the engagement, the services desired, and sufficient, relevant information about the institution.
- B. Provides for open and fair competition consistent with the procurement policies.
- C. Establishes appropriate criteria related to cost, service, and experience for the evaluation of audit service providers' proposals and qualifications.
- D. Outlines agreed-upon terms of the audit engagement in a written document.
- E. Provides opportunities to assess the Auditor's performance and communicate that assessment before the next audit cycle.

II. Selection and Award

- A. The company retained to perform the annual audit of the College's records and financial statements will be selected based on competitive bidding practices and public advertisement, together with consideration of the amount of experience which each responding firm has had in auditing educational institutions. Solicitations and advertising will specify that the audit is to be in conformity with the auditing requirements set forth by the Maryland Higher Education Commission; the lead partner on the audit rotate at least every five (5) years; and if applicable, the selected firm would be expected to comply with the rules for auditor professional conduct to be established by the Public Accounting Oversight Board. The quotations of the non-selected firms will remain confidential.
- B. The normal term for a contract with any one firm is considered three years, after which the President will either invite bids for a new contract or extend the existing contract for one or two additional years.

III. Written Agreement/Contract

- A. The written agreement entered into between the College and the auditing firm shall make allowance for the completion of the field work, the preparation of the required reports and appropriate responses thereto by the College, and the audit will be conducted in full conformity with the audit requirements of the Maryland Higher Education Commission including the filing of such reports (and responses) by the dates specified in the audit guidelines. This agreement will be developed by the Auditor after appropriate consultation with representatives of the selected firm, the Vice President for Audit/Internal Audit and Business Process Management, the Vice President of Finance/Chief Financial Officer, the Senior Vice President for Administrative and Fiscal Services, and the General Counsel for legal sufficiency.
- B. The purchase of additional non-audit-related services from the College's External Auditor is prohibited. A listing of prohibited services follows:

- (1) Bookkeeping or other services related to the accounting records or financial statements
- (2) Financial information systems design and implementation
- (3) Appraisal or valuation services
- (4) Actuarial services
- (5) Internal audit outsource services
- (6) Management functions or human resources
- (7) Broker or dealer, investment adviser, or investment banking services
- (8) Legal services and expert services unrelated to the audit
- (9) Any other service that the Public Accounting Oversight Board determines by regulation is impermissible

The College may, with appropriate College approvals, engage the External Auditor in any non-audit service not listed above.

IV. Audit Reporting

The Auditor's findings and recommendations (Management Letter), if any, should be addressed to the Board of Trustees through the President; however, initial response to the recommendations will be by an appropriate administrator designated by the Senior Vice President for Administrative and Fiscal Services. In each instance, that person is responsible for carefully considering each finding and recommendation, evaluating same in the context of how the particular activity could benefit the College, and then thoughtfully deciding on a proper course of management action appropriate for the circumstances. When received, responses to reports of the External Auditor will be promptly reviewed by the General Counsel and Senior Vice President for Administrative and Fiscal Services and then submitted to the President for transmittal to the Board of Trustees, with recommendations appropriate for the circumstances.

Administrative Approval: October 17, 1978; November 7, 1984; August 30, 1994; January 14, 2003; May 16, 2005; February 25, 2014

Chapter: Fiscal and Administrative Affairs

Modification No. 001

Subject: **Professional Liability**

Claims Procedures for Members of the Board of Trustees

- I. The Board member shall give written notice to the College of any act or occurrence involving a claim, demand or other item of cost sought to be indemnified, within one working day after the occurrence of such act or after the Board member should reasonably have knowledge of the occurrence of such act, or as soon as practicable thereafter, whether or not a claim or demand has actually been made against the Board member or the College.
- II. The College, subject to the conditions specified and only to the extent such coverage is declined by the Montgomery County Self-Insurance Program, will indemnify and save harmless the members of the Board of Trustees from any and all liability, loss or damage which said members may suffer as a result of claims, demands, costs or judgments, including but not limited to attorney's fees, which may arise from actions performed within the scope of their official duties as members of the Board of Trustees, except for such acts by members which are found to be either fraudulent, or criminal in nature, or committed in bad faith, or malicious or acts which are found to be committed for personal profit or advantage, or are grossly negligent.
- III. The Board member shall provide any and all assistance requested by the College to recover any monies so expended from the Montgomery County Self-Insurance Program.
- IV. This indemnification shall not be binding on the College in any respect, if either a claim or action is compromised or settled without the express written consent of the College or if a member of the Board is found to have committed an act which is either fraudulent or criminal or committed in bad faith or malicious, or committed for personal profit or advantage or is grossly negligent. In such circumstances the Board member shall reimburse the College any money expended in legal defense.

Board Approval: November 27, 1980.

Chapter: Fiscal and Administrative Affairs

Modification No. 002

Subject: **Professional Liability**

I. Definitions

- A. Professional liability - liability arising out of acts or omissions, actual or alleged errors, misstatements or misleading statements, or neglect or breach of duty by members of the Board of Trustees or employees in the discharge of their duties.
- B. Punitive Damages - damages over and above what will compensate for the plaintiff's actual loss. Such damages are intended to punish the defendant for his/her behavior and to solace the plaintiff for his/her loss.
- C. Interagency Insurance Panel - a panel consisting of one representative each from Montgomery College, various county agencies, the City of Rockville and other public entities. The panel oversees the affairs of the Montgomery County Self-Insurance Fund.

II. General

- A. Montgomery College holds professional liability insurance for the protection of the members of the Board of Trustees and College employees. That insurance, which provides for punitive damage claims as well as professional liability claims, is provided through the Montgomery County Self-Insurance Program in which the College participates. Montgomery College is required by the Montgomery County Interagency Insurance Panel to publish internal procedures for processing professional liability claims.
- B. Professional liability coverage under the self-insurance program is extremely broad and provides coverage for all claims that would have been covered under the College's commercial insurance policy which existed before the College entered the self-insurance program. Additionally, the coverage provides for punitive damage and other broadened aspects of professional liability as specified by agreement between Montgomery County and Montgomery College. There will be no indemnification for claims based upon or attributed to the gaining in fact of any personal profit or advantage by members of the Board of Trustees or employees, or for claims resulting in a judgment or final adjudication based upon a determination that acts of fraud or dishonesty were committed by members of the Board of Trustees or employees. In addition, there will be no indemnification in cases of wanton or malicious wrongdoing, or for actions falling outside the scope of employment or taken in bad faith.

III. Claims Procedures for College Employees

- A. An employee shall give written notice to the General Counsel, through the appropriate administrative supervisor(s), of any act or occurrence involving a claim, demand or other item of cost sought to be indemnified, within one working day after the occurrence of such act or after the employee should reasonably have knowledge of the occurrence of such act, or as soon as practicable thereafter, whether or not a claim or demand has actually been made against the employee or College. The General Counsel will provide details to the Director of

College Benefit Programs who is the College's representative on the Interagency Insurance Panel. The Director of College Benefit Programs will provide full particulars to the agency which processes claims for the Montgomery County Self-Insurance Fund.

- B. If the claims processing agency doubts that an employee should be indemnified, it refers the issue to the Montgomery County Interagency Insurance Panel for final determination. If the Interagency Insurance Panel requests a recommendation from the College with regard to the claim, a committee consisting of the Director of College Benefit Programs, the General Counsel and the administrative supervisor(s) of the employee will make a recommendation to the Interagency Insurance Panel. The Director of College Benefit Programs serves as chairperson of that committee. If the indemnification involves a claim for punitive damages, the recommendation will include full particulars concerning whether the employee was within the scope of his employment at the time in question, whether the employee acted willfully, wantonly or maliciously and whether any College policy or procedure governs the conduct in question.
- C. If the committee's recommendation is that an employee not be indemnified, the committee informs the employee of that recommendation and of his/her appeal rights. If the employee disagrees with the recommendation of the committee, the employee may appeal to the Interagency Insurance Panel and may appear personally before the Panel to do so. The Panel will make final determination of the issue by majority vote.
- D. Employees are expected to provide any assistance requested by either the College or the Montgomery County Self-Insurance Program in connection with any claim.

Administrative Approval: July 8, 1981; July 12, 1997.

Chapter: Fiscal and Administrative Affairs

Modification No. 001

Subject: **Worker's Compensation**

- I. Worker's compensation provides for the cost of effective medical care, rehabilitation, and lost wages for injured employees and death benefits for the dependents of persons killed in work-connected accidents.
- II. Employees must report all accidents to their supervisors immediately.
- III. In the event an individual employee wishes to file a claim against worker's compensation, the employee should obtain a claim form from the Employee Benefits Office in the Office of the Director of Personnel.
- IV. The worker's compensation claim should be completed as instructed and sent to the Employee Benefits Office within 48 hours after the accident.

Administrative Approval: April 26, 1985.

Chapter: Fiscal and Administrative Affairs

Modification No. 002

Subject: **Reimbursement for Travel & Related Expenditures**

- I. Montgomery College strives to promote fiscally responsible arrangements for officially approved travel and business-related expenses while maintaining the necessary controls, accountability, compliance with applicable federal and state laws, and administrative efficiency.
- II. The College will reimburse individuals for reasonable, necessary, appropriate and approved travel and business related expenses incurred in the performance of assigned College duties and responsibilities. College-approved travel is defined as transportation for College business in excess of one's normal commute. Approved travel does not include commuting between home and assigned location of employment.
- III. This policy applies to faculty, staff, administrators, students and non-employees traveling on behalf of the College and seeking reimbursement or payment for travel related expenses. Travelers must follow prescribed procedures for the authorization, documentation, and reimbursement of travel-related expenses.
- IV. The President is authorized to establish procedures necessary to implement this policy.

Board Approval: April 26, 1982; June 19, 2017.

Chapter: Fiscal and Administrative Affairs

Modification No. 007Subject: **Reimbursement for Travel & Related Expenditures****I. Purpose**

The following procedures implement Board Resolution No. 82-33, "Reimbursement for Travel and Related Expenditures."

II. General

- A. When automobiles are used for transportation, individuals going to the same location are encouraged to use one vehicle only.
- B. Authorized personnel are reimbursed for the use of privately owned vehicles at the mileage rate established periodically by the Chief Business Officer. Employees may also be reimbursed for parking fees and tolls with written approval by the account manager if no receipt and proof of payments are provided. Mileage is payable to only one of two or more employees travelling on the same trip and in the same vehicle (usually the owner of the vehicle).
- C. Travel expenses will not be advanced to individuals except for the Athletic Director or appointee responsible for the provision of travel expenses for official College teams at away games or tournaments with the proper supporting documentation. Employees may make arrangements with the Office of Business Services for direct payment of conference fees, prepayment of hotel lodging, and transportation by common carrier. Conference fees/registrations may be paid by Procurement card if EAP funds are not being requested.
- D. Reimbursement is not made for alcoholic beverages, parking or traffic violations; credit card membership fees; traveler's cheques; meals purchased in lieu of those already included in registration fees; additional travel insurance; travel between an individual's residence and the individual's assigned work site; and any expenses associated with personal entertainment or needs, such as dry cleaning, valet services, movie rental, videos, or games; or other personal, non-business related items.
- E. An annual record of expenses incurred for local and long distance travel by all employees is maintained by the Accounts Payable Department.
- F. The Chief Business Officer is responsible for implementing these procedures on a college wide basis. The Chief Business Officer, upon prior request of the account manager, also may make exceptions to these procedures in the best interest of the College (i.e. to accommodate applicants for employment).

III. Local Travel**A. Definition**

Local travel includes authorized inter-campus travel and travel between an

individual's assigned work site and other points of official College business. It does not include travel for which overnight accommodations are required; travel for which total reimbursable expenses exceed \$250; or travel for which round trip mileage exceeds 300 miles.

B. Guidelines for Local Travel

1. Authorized travel between College campuses is travel necessary to perform official College business. This includes travel to conduct scheduled classes which are part of a faculty member's assigned workload, excluding overload assignments.
2. Authorized travel between a College campus and a place other than another campus is travel that is necessary to conduct official College business at the off-campus site. This includes travel between a campus and a scheduled class at an off-campus site that is part of a faculty member's assigned workload, excluding overload assignments. In accordance with Board policy, this also includes travel by volunteers commuting to and from the College to perform authorized, official College business.
3. Distances for travel between the College campuses have been established as shown on the attached mileage chart.
4. Reimbursement is not made for travel to and from meetings of the College Board of Trustees, unless the individual is required to attend such meetings.
5. With prior approval of the account manager, reimbursement may be made for actual and reasonable meal expenses fees, tolls, parking and related expenses which relate directly to the official business of the College. Such expenditures on behalf of guests of the College may include meal expenses of the employee, but may not be primarily for the employee's social or personal use. Original receipts are required to support such expenditures, as well as an explanation of the expenditure on the form provided by the Chief Business Officer.

C. Reimbursement Procedures

1. Employees and volunteers requesting reimbursement for local travel expenses shall submit reimbursement requests on a local travel form approved by the Chief Business Officer. The statement of local travel should only include one month of travel expenses. This statement shall be submitted to unit supervisors for review and approval no later than the third working day of each month for expenses incurred during the preceding month. Supervisors shall review and if they approve will process the statements through appropriate account managers so that they reach the Business Services Office Accounts Payable department no later than the sixth of each month. Approval of statements by account managers constitutes certification of the propriety of all expenses listed as actually necessary to the performance of travel on official College business and authorizes the expenditure of funds from appropriate

accounts.

2. Employees whose monthly expenses for local travel total \$25 or less may be reimbursed in cash by the campus cashier with the details of the college business related travel and approved local travel form. The requestor must complete a petty cash reimbursement form and attach it to the local travel expense form when making the request for reimbursement.

IV. Distant Travel

A. Definition

Distant travel includes travel on authorized College business which meets any one or more of the following criteria: overnight accommodations are required; total expenses incurred for all reimbursable items related to the travel exceed \$250; or round trip mileage exceeds 300 miles.

B. Authorization for Distant Travel

1. Advance written approval must be obtained by all employees for distant travel. Requests to use College funds and subsequent reimbursement for expenses incurred on distant travel shall be submitted to the Business Services Office through normal administrative channels on a form provided by the Chief Business officer.
2. The vice president/provost (or designee) is final approval authority for requests by campus faculty and staff for distant travel; the vice president for Workforce Development & Continuing Education and the Vice President for Institutional Advancement (or designees) are final approval authority for personnel assigned to offices supervised by them; and the appropriate executive vice president (or designee) is final approval authority for the directors and other personnel assigned to the President's office.
3. Approval of the request for travel funds on the form approved by the Chief Business Officer by unit supervisors constitutes approval of the leave requested, and the approval of account managers constitutes certification of the propriety of all expenses listed as actually necessary to the performance of travel on official College business and authorization to expend funds from appropriate accounts.

C. Transportation Expenses

1. General

- a. Distant travel may be made by air, rail, bus, other common carrier, or private vehicle when College vehicles are unavailable or impractical. All travel must be by the most economical transportation available considering travel time, costs, and work requirements. (see special procedures below for air travel)

Automobile rental shall not be utilized unless it is the most economical transportation available. Expenses for travel shall be supported by receipts.

- b. Reimbursement for travel by private conveyance shall be made on the basis of the lesser of the approved mileage rate or cost of round trip coach class air fare.
- c. Travel by air, rail, bus or other common carrier shall be at the lowest available convenient rate in the chosen method of travel. First class accommodations will not be used except when less expensive means are not available and prior approval is granted, where practicable.
- d. When a common carrier is used, reimbursement may be made for travel between home and terminal, terminal and hotel at place of destination, and travel between hotel and place of business at destination.

2. Air Travel

The following procedures must be followed by employees who request that the College pre-pay for airplane travel.

- a. Air travel must be arranged through a travel agency provider designated by the Chief Business Officer using the organization code to be charged.
- b. The employee must request the travel agency to send you a copy of your itinerary electronically (preferably by email); review it for accuracy and completeness.
- c. Within five (5) days of making travel arrangements: confirm your itinerary with the agency; complete the reimbursement request/leave form; secure the approval of the account manager; and forward the approved form to the Accounts Payable Office.
- d. Questions concerning the designated providers can be found in the travel procedures located on the Office of Business Services Accounts Payable website or should be directed to the Accounts Payable Manager.

Employees who do not request advance travel pre-payment of air fare shall request reimbursement for air fare on the appropriate long distance travel reimbursement request form. The original travel receipts, purpose of travel, and approvals must be included.

D. Other Reimbursable Expenses

- 1. Expenses incurred for lodging while traveling on official College business may be reimbursed up to the actual cost of a single room. Employees

are encouraged to use group discount rates where available, especially when specific lodging discounts are part of a conference "package." Expenses for lodging shall be supported by original receipts.

2. Employees may be reimbursed for the reasonable cost of meals while traveling on official College business. Meal expenses shall also be supported by original receipts. If multiple party meals are included on the receipts, details pertaining to the employee's meals should be specified and included on a spreadsheet with the form requesting reimbursement. The College will not reimburse for the purchase of alcoholic beverages or other personal items.
3. Expenses for conference fees may be reimbursed. Such expenses shall be supported by original receipts.
4. Employees may be reimbursed for miscellaneous expenses, such as normal and reasonable gratuities, baggage handling and storage, reasonable telephone calls, internet/fax machine/email/phone/modem port charges; and other special purchases essential for the fulfillment of the purpose of the travel upon approval of the employee's unit supervisor. Original receipts for such expenses shall be obtained whenever possible.
5. When requesting reimbursement for international travel, all conversion to U.S. currency should be completed by the traveler prior to forwarding the request to the Accounts Payable Office.

E. Reimbursement Procedures

1. Employees requesting reimbursement for expenses associated with distant travel shall complete the reimbursement request form provided by the Chief Business Officer and forward the form, with the necessary approvals and original supporting documentation, through the unit supervisor to the Accounts Payable Department within five days of completion of the travel.
2. All reimbursements disbursed for distant travel expenses shall be made by check.

Administrative Approval: April 27, 1982; September 27, 1990; March 24, 1993; March 23, 1995; July 29, 1996; August 23, 2002; August 19, 2010

Chapter: Fiscal and Administrative Affairs

Modification No. 004

Subject: **Acceptable Use of Information Technology**

- I. Information technology is critical to carrying out the mission of the College. This policy, and its associated procedures, establish acceptable use of information technology resources made available to students, faculty, and staff, and any non-College individuals and entities specifically authorized to use these resources.
- II. The same standards for all Users regarding the acceptable use of facilities, equipment and tools, as well as acceptable standards of behavior toward individuals while using these resources, apply to the use of information technology resources as well. The ability to use these resources is a privilege, not a right or guarantee, based on Board of Trustees' priorities and available funding. No one can or should assume that because this policy is silent on a particular act or behavior, or that just because one is capable of doing something, that it is then acceptable, condoned, or legal. The same disciplinary actions that apply to the misuse of other resources and behaviors may be applied to misuse of information technology resources.
- III. All Users who request and/or are given access to College-owned and operated information technology resources agree to use those resources in a manner consistent with the mission of the College and in compliance with this and other policies, as well as all applicable federal, state, and local laws, procedures, rules and regulations.
- IV. This policy and its associated procedures apply to use of the College's informational technology resources regardless of location, i.e., on site, at a remote work location, or while traveling domestically or internationally.
- V. The Board of Trustees authorizes the president to establish any procedures necessary to implement this policy.

Board Approval: July 21, 1997 (Interim Policy); February 19, 2001; April 28, 2014; April 21, 2025.

Chapter: Fiscal and Administrative Affairs

Modification No. 006Subject: **Acceptable Use of Information Technology****I. Information Technology Resource ("IT Resources")**

IT Resources include all electronic equipment, facilities, technologies, and data used for information processing, transfer, storage, display, printing, and communications by Montgomery College or its Users. These include, but are not limited to, computer hardware and software, computer labs, classroom technologies such as computer-based instructional management systems, and computing and electronic communications devices and services, email, networks, telephones, voicemail, facsimile transmissions, video, multi-function printing devices, mobile computer devices, data, multimedia and instructional materials. This definition also includes services that are owned, leased, operated, provided by, or otherwise connected to Montgomery College resources, such as cloud computing or any other connected/hosted service.

II. User Responsibilities

Users are expected to comply with legal, policy and procedure requirements and standards related to the use of IT Resources. These requirements include:

A. The User is expected to abide by College security requirements and will:

1. Use the College's IT Resources legally and in accordance with any required authorization.
2. Neither endanger the security of any College computer or network facility nor willfully interfere with others' authorized computer use.
3. Connect to College networks, including wireless networks, only with equipment/computers, including desktops, laptops, tablets, and smartphones or any other equipment, that meet any applicable Montgomery College Office of Information Technology (OIT) technical and security standards.
4. Provide reasonable security to one's passwords and respect the privacy and security of others' passwords.
5. Recognize that confidential information must be protected appropriately and in accordance with College policy. The College cannot guarantee the privacy of computer files, electronic communications, or other information stored on or transmitted by a computer or other device.

B. The User is expected to:

1. Abide by law in not participating in computer theft, computer trespass, invasion of privacy, computer forgery, password disclosure, or misleading transmittal of names or trademarks.
2. Abide by the laws of copyright and/or license agreements.

3. Understand that the College will not defend the User against any charges of criminal acts outside of the scope of employment involving the use of College-owned IT Resources.
 4. Use the College's IT Resources for College business and mission purposes and limit other uses to occasional occurrences; such other uses must not have undue impact on the operation of the College's IT Resources, adversely affect the work or mission of the College, whether performed by the User or others, or violate any other provisions of policy or practice standards of the College.
 5. Take responsibility for the materials they transmit through the College's electronic communications system and other College provided IT Resources and not violate College policy with such transmission.
 6. Not harass, threaten, or otherwise cause harm to specific individuals through electronic communication; and not create what a casual observer might reasonably perceive to be an atmosphere of harassment, including sexual harassment. A casual observer may be anyone such as a fellow student, employee, or visitor.
- C. Users shall adhere to a standard of behavior that is not disruptive to the business of the College and will:
1. Not impede, interfere with, impair or otherwise cause harm to the activities of others.
 2. Not download or post to College computers, or transport across College networks, material that is illegal, proprietary, subject to copyright protection, in violation of College contracts or third party intellectual property rights, or that otherwise exposes the institution to liability.
 3. Not use the College's electronic communication facilities to attempt unauthorized use or interfere with others' legitimate use of any computer or network facility anywhere.
 4. Share computing resources in accordance with policies set for computers involved.
 5. Use caution in downloading or distributing information and shall not create, install, or knowingly distribute computer malware or other destructive program on any IT Resource, regardless of whether any demonstrable harm results.
 6. Use available software and hardware "as is" without attempting to modify or reconfigure the software or hardware of any IT Resource.
 7. Report then delete phishing e-mails, spam, and other types of electronic fraud, and do not open or redistribute any suspicious items.
 8. Follow College policy, procedure, and associated guidelines regarding the use of college email.

- D. Users will be good stewards in the care and safeguarding of files and records and will:
 - 1. Assure appropriate, responsible, and ethical care and use of College data.
 - 2. Recognize that these responsibilities extend beyond the confines of any employment or contractual relationship with the College, and that any attempt to destroy or alter College records for purposes other than routine maintenance, whether hard copy or electronic, will be subject to disciplinary/legal action.
 - 3. Comply with periodic requests to alter/change passwords and any training requirements associated with continued use and access to the College's resources.

III. Network Infrastructure

The College has built a very large and complex network, which includes wired, wireless, and external connections. Any uncoordinated installation of network infrastructure could cause unintended disruption to this network. Only Network Service Providers authorized by the Chief Information Officer are allowed to implement network infrastructure, including hubs, switches, routers, network firewalls, and wireless access points. Users are not allowed to offer alternate methods of access to MC's IT Resources, including by means such as modems and virtual private networks (VPNs) or network infrastructure services such as Domain Name System (DNS) and Dynamic Host Control Protocol (DHCP).

IV. College Responsibilities

- A. The College is expected to adhere to industry standards and other best practices with regard to computer and telephone systems to provide adequate access to these resources with the optimum service levels possible, in accordance with legal requirements, Board of Trustees' policy, and within the approved budget. The Vice President of Information Technology/Chief Information Officer ("VP/CIO") is charged with directing and managing these efforts.
- B. The College makes no warranties of any kind, either express or implied, that the functions or services provided by or through technology resources will be error free or without defect. The College will not be liable for any damage Users may suffer, including but not limited to loss of data, service interruptions or failure to deliver services. In addition, the College makes no representation or warranties, either express or implied, for data, information and materials obtained over the Internet and will not be liable for any damage Users may suffer as a result of relying upon such data or information.

V. Privacy Issues of Computer Use and Communications

- A. The College reserves the right to audit the network and related systems at any time for security and maintenance purposes and to comply with applicable laws.
- B. Users are reminded that all information created or received for work purposes and/or contained in College computing equipment files, servers or electronic communications are depositories and are public records that are created and maintained by public funds and are available to the public unless an exception under the Maryland Public Information Act applies. Thus, Users should not have any expectation of privacy with regard to communications passed through the network or stored on computers that use it. The College may monitor access to the equipment and networking structures and systems and inspect network traffic for such purposes as ensuring the security and operating performance of its systems and networks; reviewing employee performance; and enforcing College policies, procedures, standards, and applicable laws.
- C. Examination, access, or the grant of access to current Users' files, electronic communications, or network transmission contents by OIT staff or its contractors, must be authorized beforehand by written approval from the Vice President of Information Technology and Chief Information Officer or their designee.

VI. College Web Servers/Electronic Publishing

- A. The development and maintenance of a departmental or unit internet site and/or social media account is permitted through the College's computing resources as long as it complies with college policies, procedures, and guidelines including but not limited to 62003: Public Information, Communications, and Marketing.
- B. In accordance with 62003: Public Information, Communications, and Marketing, personal internet sites and/or social media accounts that are operated by College employees, students, or consultants shall not represent that such accounts are being officially sanctioned, sponsored, or provided by the College. Such accounts shall not use the College's trademarks and logos without permission. If the content of the website makes reference to the College and/or can reasonably be used to connect the individual to the College, the website shall contain a disclaimer stating "that the page/site is not endorsed, sponsored or provided by or on behalf of Montgomery College."

VII. Policy Assurance

The IT Policy Administrator (ITPA), in conjunction with the Office of the General Counsel, is charged with ensuring compliance with policies and procedures applicable to information technology.

- A. The ITPA is responsible to investigate on behalf of the Office of General Counsel (OGC) all reported violations and keep a record for OGC of each one. In the case of an alleged intellectual property infringement notification, the ITPA will respond in writing to the party sending the notification after conducting an investigation, maintaining a copy in ITPA files, subject to other instructions from the OGC.
- B. The ITPA's investigation in coordination with OGC will include gathering

information, determining the likelihood that a violation has occurred, notifying all appropriate parties affected, and addressing IT system damage and repair actions. The ITPA will assess each situation and involve other College staff and/or external agencies as necessary to protect and repair the IT Resources of the College.

- C. The ITPA will adhere to College policies and procedures in the investigation and disposition of each incident. Investigations may include such activities as:
 - 1. A written notice to the supervisor of a person alleged to have committed a violation, with a request for appropriate actions;
 - 2. A written notice to the Vice President of Human Resources, Development, and Engagement, requesting appropriate actions;
 - 3. A written notice to the General Counsel requesting directions and guidance, including instances in which the ITPA recommends the involvement of law enforcement agencies or any other entity that may have jurisdiction.
- D. The ITPA will submit a report to the President of the College or designee with a summary of incidents related to violation of the Acceptable Use Policy from time to time, but no less often than annually.
- E. The ITPA has the authority to remove or restore access to IT Resources to any User who is believed to have violated the Acceptable Use Policy and/or procedures of the Acceptable Use Policy. Written notice must be given to the User, the User's supervisor, and the General Counsel when this action is anticipated. No further sanctions are within the ITPA's authority.
- F. Appeals concerning the decision and actions of the ITPA are permitted. The appeals process is:
 - 1. All appeals must be addressed to the VP/CIO, within ten (10) days of the decision of the ITPA.
 - 2. Appeals must be in writing, stating specifically the basis of the appeal.
 - 3. The VP/CIO will make a decision regarding the appeal within ten (10) days of receipt of the appeal.
 - 4. The decision of the VP/CIO regarding an appeal will be in writing.
 - 5. Nothing in this process prevents the User whose access to IT Resources has been restricted from pursuing other avenues of appeal that may be available under College policy or law.

Administrative Approval: February 19, 2001; August 27, 2001; March 25, 2004; April 28, 2014; December 1, 2021; April 2, 2025.

Chapter: Fiscal and Administrative Affairs

Modification No. 002

Subject: Confidential Data Management and Security

- I. The Board of Trustees hereby authorizes the president to promulgate procedures and create programs to appropriately manage receipt, creation, copying, transmittal and use of certain confidential data in College operations by College employees and contractors. This policy and procedures hereunder are intended to address the increased regulatory attention to certain classes of data that are received, created, and maintained by the College. These data pose increased risks to persons and College operations that are the subject of or rightful users of, that data when such data are subject to unauthorized access or use by third persons. The purpose of these actions by the College are to further limit, to the extent possible, access and use of such data by unapproved or illicit third persons with the attendant risk of misuse and damage to the College community and College operations.
- II. To comply with applicable contracts and state and federal laws, and to protect the College community, the College has the right and obligation to receive, store, maintain, manage, secure, and use certain confidential data pertaining to individuals, including students, customers and employees. Although these data may be in various paper copy forms or electronic media forms, they may be readily transferred, transmitted or copied into various other forms. Current electronic media forms and networks through which they may be accessed require additional actions to properly steward and manage them securely.
- III. It is the policy of the Board of Trustees to safeguard sensitive hard copy and electronic data and to restrict individual access to such data only as it is necessary to perform the functions required by their position at the College and in accordance with state and federal laws. Individual access will be determined by appropriate authorization of both the individual's supervisor and the owner of the data. Those individuals, supervisors and owners are responsible for the College data stored, created, processed and/or transmitted under their care and for following the security requirements established under this policy.
- IV. The College will protect confidential data in its possession through a tightly controlled process that may include the following:
 - A. Systematic and continuous review and identification of various classes of data created, accessed, maintained, and transmitted by the College, separating these classes of data into level of confidentiality categories.

- B. Provision of various levels of access, creation and use controls that may require appropriate access/creation authorization by a small group for various classes of data, and then only on a need to know or use basis.
 - C. Provision of special controls on creation or copying of various classes of data to locations that may be accessed outside of the College's firewall and specification of network uses.
 - D. Requirements of specific security for certain classes of data, including locked file cabinets for hard copies, encryption for electronic versions, limitation of conversion keys to limited persons (such as permitting broad use of —M|| numbers for students and employees, but limiting conversion keys of these numbers to social security numbers to a small group of employees that can further ensure proper use of these Highly Sensitive data).
 - E. Confirmation of the Red Flag Program followed by the College and further refinement of the program to ensure its effectiveness in current operations, to ensure full compliance with the Fair and Accurate Credit Transactions Act of 2003 that requires rules to protect against identity theft.
 - F. Integration of applicable security requirements into employee performance expectations and job descriptions, and proper enforcement of those expectations.
 - G. Review and change of access, creation, maintenance and transmittal authorization upon a change of status or position of each employee.
 - H. Special security requirements as may be appropriate for maintenance or use of confidential data outside of the College's secure facilities and networks, including but not limited to home pc's, mobile computing and storage devices and paper files taken home or elsewhere outside of College facilities. This may include encryption and other security precautions, as well as limitations on transmissions and copying.
 - I. Integrate and coordinate this policy with policies and procedures pertaining to confidential information and records management, as well as employee responsibilities.
- V. Information systems that store, process or transmit sensitive electronic data will be minimized and consolidated to eliminate storage of data that is not properly authorized. All information systems and sensitive electronic data, throughout its lifecycle, will be secured in a manner that is reasonable and appropriate, given the level of confidentiality, value and criticality that the data has to the College and to its constituents.
- VI. The College will provide education programs to employees and students to heighten awareness of the critical need to protect College confidential data.
- VII. The president is authorized to establish procedures necessary to implement this policy.

Board Approval: June 18, 2012; February 21, 2022.

Chapter: Fiscal and Administrative Affairs

Modification No. 002

Subject: **Confidential Data Management and Security**

I. Definitions

- A. College Data ("Data"): All Data that is used by or belongs to the College, or that is created, processed, stored, maintained, transmitted, or copied using College IT Resources. For the purpose of this procedure, the terms "data" and "information" are used interchangeably. They include any information kept in print, kept electronically, kept as test Data in a non-production system, or kept audio-visually, whether stored onsite or offsite, that meets any of the following criteria:
1. Created or updated via the use of the College's Systems of Record or used to update Data in the Systems of Record;
 2. Acquired or maintained by College employees in performance of official administrative or academic job duties;
 3. Relevant to planning, managing, operating, or auditing a major function at the College;
 4. Included in official College administrative reports or official College records.
- B. Data Trustees Council (DTC): Data governance group composed of the Data Trustees, appointed by the Chief Analytics and Insights Officer in consultation with each senior vice president and the president's office, and the chairs of the Data Stewards Committee (DSC) and the Data Security Advisory Committee (DSAC). It is charged with setting institutional priorities of data quality and data driven decision making.
- C. Confidential Information: Confidential Information includes but is not limited to the following: the personnel record of any past or present employee; any record containing PII; credit or debit card data; student information which has not been identified as directory information (see Board Policy #41003 Student Cumulative Records); records or material that have otherwise been identified as confidential, subject to trademark or a copyright protection, or for which there is a contractual limitation on disclosure; records of the Office of General Counsel, or any records of which exposure unnecessarily invades personal privacy or impairs individual rights.
- D. Data Access: The rights to read, enter, copy, query, download, upload, test or update Data. The scope of Data Access allowed to any Data User will vary given their academic or business need and may change from time to time. Users with access to Level 1 or Level 2 Data will take training as established by the College and will execute required confidentiality agreements.
- E. Data Access Provisioning: The processes established for requesting, granting, and terminating permission to access Data in the Systems of Record or other

approved Data stores.

F. Data Classification: An assigned classification to Data defined as below:

1. Confidential (High Risk) – Level 2: Data and systems are classified as high risk if:
 - a. Protection of the data is required by law/regulation; and
 - b. Montgomery College is required to self-report to the government and/or provide notice to the individual if the data is inappropriately accessed; or
 - c. Any data that could, by itself, or in combination with other such data, be used for identify theft, fraud, or other such crimes; or
 - d. The loss of confidentiality, integrity, or availability of the data or system could have a significant adverse impact on our mission, safety, finances, or reputation.
2. Sensitive (Moderate Risk) – Level 1: Data and systems are classified as moderate risk if they are not considered to be confidential and high risk if:
 - a. Data that is not protected by regulatory requirements, but is considered internal use only, or;
 - b. The loss of confidentiality, integrity, or availability of the data or system could have a mildly adverse impact on our mission, safety, finances, or reputation.
 - c. These data might include, but is not limited to, employee, academic, planning, facility, emergency or administrative data that is restricted for reasons related to public or individual safety, competition, ongoing development, or is otherwise sensitive in nature.
 - d. Examples include employment data, financial transaction data, and purchasing data.
- i. Public (Low Risk) – Level 0: Data and systems are classified as low risk if they are not considered to be moderate or high risk; and:
 - a. The data is intended for public disclosure, or
 - b. The loss of confidentiality, integrity, or availability of the data or system would have no adverse impact on our mission, safety, finances, or reputation.
 - c. Examples include press releases, course schedules, and directory information (as defined in Policy/Procedure 41003/41003CP- Cumulative Student Records).

G. Data Security: Processes that administer and monitor Data Access and, consistent with laws and industry standards, protect the confidentiality, integrity and availability of Data.

H. Data Trustees: College administrators who have responsibilities for major data management decisions to include oversight of the implementation and verification

of processes for data privacy, protection, access, and accountability. Data Trustees may designate appropriate personnel to complete processes required under this procedure

- I. Data Users: Individuals with authorized access to use Data as part of their assigned duties. Individuals who have access to Data are in a position of special trust and as such are responsible for protecting the security and integrity of that Data. Data Users can be employees, contractors or any role given access to Data.
 - J. Information Technology Resources ("IT Resources"): IT resources include all electronic equipment, facilities, technologies, and data used for information processing, transfer, storage, display, printing, and communications by Montgomery College or its Users. These include, but are not limited to, computer hardware and software, computer labs, classroom technologies such as computer-based instructional management systems, and computing and electronic communications devices and services, modems, email, networks, telephones, voicemail, facsimile transmissions, video, multi-function printing devices, mobile computer devices, data, multimedia and instructional materials. This definition also includes services that are owned, leased, operated, provided by, or otherwise connected to Montgomery College resources, such as cloud computing or any other connected/hosted service provided
 - K. Least Privilege: The privacy and security objective of granting Data Users access to Data in the most restrictive set of privileges needed to perform their assigned duties. It further includes specific activities, technical processes and written processes that enforce and secure the minimal set of privileges.
 - L. Personally Identifiable Information (PII): Data that can be used, in part or in combination with other Data to distinguish or trace an individual's identity, such as name, social security number, date of birth, student/staff M number; and any other information that is linked or linkable to an individual, such as medical, educational, financial, or employment information.
 - M. System Administrator: A system administrator is an employee or contractor who is responsible for the upkeep, configuration, and reliable operation of computer systems; especially multi-user computers, such as servers. It includes system administrators, database administrators, network administrators, web administrators, desktop administrators and Office of Information Technology support staff.
 - N. Systems of Record: Software applications that act as central collegewide repositories of business activities. This specifically includes human resources, payroll, financial management; student admissions, schedules, grades, counseling, financial aid, alumni records; advancement records; library patron activity; e-mail; and student learning systems.
- II. Data Security Requirements.
- A. Security Requirements for Level 2 Confidential:
 - 1. The highest level of Data Security applies to Level 2 Data.

2. The principle of Least Privilege applies to Level 2 Data.
3. Data Users with access to Level 2 Data are approved and periodically recertified by the appropriate Data Trustee or designee.
4. Data Users with access to Level 2 Data will have their privileges revoked upon the termination or any change of the employment/contractual access that necessitated the Data Access.
5. Data Users with access to Level 2 Data will not store, process or share such Data outside of a System of Record or the College network without approval of appropriate Data Trustee, or, in the case of group access requests for a large Data extract, by the appropriate Data Trustee and the IT Policy Administrator (ITPA).
6. Data Users that have received approval to store or process Level 2 Data outside of the Systems of Record may only perform these actions on IT Resources, devices or applications that are approved as meeting Data Security requirements under these Procedures or more specifically as set forth by the ITPA or the appropriate Data Trustee.
7. CHD will not be stored on any College system, including any Systems of Record or any type of internal or external storage. Data Users with access to CHD will process CHD only in accordance with Office of Information Technology and Office of Business Services standards and processes. No credit card transactions may take place over any College network or system unless properly encrypted and approved by the Office of Business Services and the ITPA in advance.

B. Security Requirements for Level 1 – Sensitive:

1. A level of Data Security commensurate with the sensitive nature of this Level 1 Data applies to this Data.
2. The principle of Least Privilege applies to Level 1 Data.
3. Data Users with access to Level 1 Data are approved by a Data Trustee and periodically recertified.
4. Data Users with access to Level 1 Data will have their privileges revoked upon the termination or any change of the employment/contractual access that necessitated the Data Access.
5. Data Users with access to Level 1 Data will not store, process or share such Data outside of the Systems of Record without approval of the ITPA and the Data Trustee.

C. Security Requirements for Level 0 - Public:

While Level 0 Data is available to the Public, a minimum level of control is required to prevent unauthorized modification or destruction of this Data.

III. Roles and Responsibilities

- A. Vice President of Instructional and Information Technology/Chief Information Officer ("VP/CIO"):
 - 1. Oversees the management of the College's Systems of Record, Data Access, Data Security and management processes.
 - 2. Serves as the mediator for discrepancies between assigned roles and helps establish balance between the aspiration of private and secure Data management practices and the interests of efficient and informed College operations.
- B. Data Trustees:
 - 1. Periodically affirm that Data Access is current.
 - 2. Review Data technology requests that include a substantial movement of Level 1 and/or Level 2 Data that requires the Data to be extracted from the Systems of Record and stored elsewhere (either onsite or offsite). The VP/CIO or designee must approve any such request.
- C. ITPA:
 - 1. Will periodically review institutional Data management, privacy and security activities and provide recommendations to the Data Trustees Council to ensure these Procedures are effective and relevant to maintaining Data privacy and security.
 - 2. Verifies appropriate Data Access Provisioning of requested Data Access to Level 1 or Level 2 Data.
 - 3. Works within IT and collegewide to implement appropriate security standards for IT Resources associated with all Data.
 - 4. Creates appropriate guidance documents or resources to help Data Users more fully differentiate between Level 0, 1, and 2 Data, as well as approved storage of the Data types.

IV. Uniform Data Management

- A. Systems of Record Data Storage Primacy:
 - 1. All College Data will be contained in or directly accessible to the College's Systems of Record, unless specifically exempted by the CIO for storage in other approved Data stores such as cloud-based storage services. Any such exempted Data stores outside the Systems of Record will be inventoried and must meet the requirements defined in this procedure.
 - 2. Security and Data Access controls will be available and implemented to protect Data from disclosure based upon the location and usage, as well

as the different levels of Data Classification.

3. College Data contained in paper form should be secured with appropriate physical security standards.

B. E-mailing Data:

1. College Data sent within or attached to an e-mail to a party outside of the College e-mail system will be properly secured consistent with the sensitivity of the information and Least Privilege.
2. Level 1 or 2 Data in retained or archived e-mails will be managed in accordance with the College's record retention policy.

C. Imaging Data:

1. Imaging of paper College documents will be performed using IT Resources.
2. Imaged Documents should be redacted of unnecessary Level 1 Data to the extent reasonably possible and consistent with operational and legal needs.
3. Imaged Data will be retained or deleted consistent with the College's record retention policy.

D. Local Data Storage on Devices:

1. Electronic storage of Level 1 or Level 2 Data outside of a System of Record on College owned workstations or mobile devices (devices including but not limited to laptops, tablets and smartphones) will be approved by the CIO or designee and the appropriate Data Trustee.
2. No storage of Level 1 or Level 2 Data may take place on non-College owned devices.
3. No storage of Level 1 or Level 2 Data may take place on an externally based file hosting service unless it is an IT Resource.
4. Data Users, when required, will execute appropriate confidentiality agreements regarding the Data.
5. When the storage of or access to Level 1 or Level 2 Data is approved for a College-owned device, then the devices storing the Data will meet certain system Data Security requirements, including but not limited to:
 - a) Reasonable physical security.
 - b) College supported file and/or disk encryption should be utilized, consistent with Office of Information Technology requirements.
 - c) Operating system software will be patched and up to date.

- d) Anti-Virus software will be installed and up to date.
- e) The user may not operate their device using an account with administrative privileges, unless required by the user's job function.
- f) Authentication to these devices will be consistent with IT Authentication Standards.
- g) The device will be configured to lock after a reasonable period of inactivity, consistent with Least Privilege.
- h) Mobile devices owned by the College will be returned to the College for a verification of current technology as deemed necessary by the Office of Information Technology; and
- i) If the device is a mobile device, it will also contain appropriate security safeguards to ensure Least Privilege.

V. No Third Party Rights; No Expectation of Privacy

- A. While these Procedures promote the privacy and security of Data, they do not create any consumer, customer, student, or other third-party rights or remedies, or establish or increase any standard of care that would otherwise not be applicable.
- B. The College does not, by inclusion of certain Data with Level 1 or Level 2 classification, intend to create any individual expectation of privacy where none would otherwise exist.

VI. IT Resource Eligibility

- A. The scope of access to and use of IT Resources will vary in accordance with the affiliation of a user and may change from time to time. The College establishes processes and standards for verifying the eligibility of persons seeking to access and use College IT Resources and Data.
- B. The scope of access and use granted will be consistent with these Procedures.
- C. Eligibility to use College technology resources will cease when the user no longer has an affiliation that supports eligibility. Processes consistent with this Procedure will disable and ultimately delete College granted accounts and reimage College IT resources.
- D. The eligibility of all individuals for an IT Resource may be tested periodically against official College sources, including employee, faculty, and student records. Other sources may be used where these records do not accurately reflect ongoing affiliation.
- E. Data Access to Level 1 or Level 2 Data given to temporary employees (including student employees and contractors) will expire automatically on reasonable time periods consistent with business need. Data Access needed beyond the initial

period will require a new consent.

- F. Data Access to Level 1 or Level 2 Data to permanent employees will be recertified periodically in methods consistent with Office of Information Technology processes.
- G. Group shared storage devices will be provided to users consistent with current technology and business needs. Group shared storage devices are meant to be used for active business Data and not for long-term storage. Group shared storage devices will be periodically reviewed, and files not in active use, as determined by the ITPA, will be deleted.

VII. Education

Education is a key element of this Policy. The College will provide education and information, as appropriate, for students and employees to enhance understanding and increase awareness of the College's Confidential Data Management and Security Policy and these Procedures. Any mandatory education requirements will be announced and posted on the College's website. The President is authorized to provide institutional leadership and guidance for developing education programs to increase knowledge and share information and resources to prevent violations of this policy and procedure. Some goals to be achieved through education are: (a) notifying individuals of conduct that is proscribed; (b) informing employees, students, and other members of the college community, including contractors, about the proper way to recognize and address complaints involving a violation of this Policy; and (c) preventing issues that this Policy addresses.

Administrative approval: November 27, 2017; February 25, 2022.

Chapter: Administrative and Fiscal Services

Modification No. 001

Subject: **Identity Theft Prevention Program**

- I. The Federal Trade Commission's Red Flags Rule, implementing Section 114 of the Fair and Accurate Credit Transactions Act of 2003, requires financial institutions and creditors to establish a policy to implement a written Identity Theft Prevention Program.
- II. The Board of Trustees recognizes that some activities of the College are subject to the provisions of the Fair and Accurate Credit Transactions Act and the Red Flags Rule. Accordingly, to the extent the Red Flags Rule may apply, the College hereby establishes an Identity Theft Program to detect, identify, and mitigate theft in its covered accounts.
- III. The president will implement an Identity Theft Program and procedures, as appropriate and as required by law

Board Approval: January 25, 2013

Chapter: Administrative and Fiscal Services

Modification No. 001

Subject: **Identity Theft Prevention Program**

Montgomery College has developed this Identity Theft Prevention Program (Program) pursuant to the Federal Trade Commission's (FTC) Red Flags Rule. This Program formalizes and expands the College's existing policies, procedures, and practices to detect, prevent, and mitigate identity theft at the College in connection with the opening and operation of Covered Accounts as defined below. This Program addresses the size and complexity of the College's operations and account systems, as well as the nature and scope of the College's activities. Oversight for this program is the responsibility of the senior vice president for administrative and fiscal services.

I. Definitions

- A. Identity Theft: fraud committed using the identifying information of another person.
- B. Red Flags: a pattern, practice, or specific activity that indicates the possible existence of identity theft.
- C. Account: a continuing relationship established by a person with the College to obtain a product or service for personal, household, or business purposes, including the extension of credit or deferring of payment.
- D. Covered Account:
 - 1. Any account that the College offers or maintains that is used primarily for personal, family, or household purposes and that involves or is designed to permit multiple payments or transactions; or
 - 2. Any other account that the College offers or maintains for which there is a reasonably foreseeable risk to students or to the safety and soundness of the College from identity theft, including financial, operational, compliance, reputation, or litigation risks.

II. Covered Accounts

The College has identified the following types of Covered Accounts:

- A. Federal Perkins loans
- B. Installment tuition plans
- C. Emergency student loans

All departments and offices with access to personally identifiable information relating to Covered Accounts are subject to this Program. Such departments and offices include, without limitation, the Offices of Enrollment Services and Financial Aid, Business Services, and Information Technology, regardless of where these departments and offices are located.

III. Identifying Red Flags

In order to identify relevant Red Flags, the College has considered the types of Covered Accounts that it offers and maintains, the methods it provides to open its Covered Accounts, the methods it provides to access its Covered Accounts, and its previous experience with identity theft. The College has identified the following Red Flags from each of the categories listed in the Red Flags Rule:

A. Suspicious Documents

The College collects or reviews documents from students in connection with various activities and transactions. For example, the College collects documents in connection with: requests for changes in name or address and applications for Perkins Loans, installment tuition plans, and emergency student loans (including the resolution of Caution Flags (or C-Flags) from the US government based on discrepant or insufficient information in federal student financial aid applications). This Program incorporates the following Red Flags relating to the presentation of suspicious documents:

1. An identification document or card appears to have been altered, forged, destroyed, or otherwise bears indicia of inauthenticity;
2. An identification document or card's physical description or photographic depiction appears inconsistent with the person presenting it;
3. Information on a document is inconsistent with other information provided by the person;
4. Information on a document is inconsistent with readily accessible information (for example, addresses of students) in the College's systems such as BannerWeb; and
5. An application or other request relating to a covered account appears to have been altered or forged.

B. Suspicious Personal Identifying Information

The College requires students to verify their identities for transactions related to Covered Accounts. Under this Program, Red Flags of suspicious personal identifying information include the following:

1. Identifying information that is inconsistent with other information the person provides (for example, inconsistent birth dates);
2. Identifying information that is inconsistent with other sources of information (for instance, an address not matching an address in the College's systems);
3. Identifying information, including a mailing address, e-mail address, phone number, or Social Security Number, that is identical to another person's information in the College's systems;

4. Identifying information matches information from applications or other materials that are known to be fraudulent or consistent with fraudulent activity (such as a known invalid phone number or known fictitious mailing address); or
5. In cases in which the College requires certain personal identifying information and requests such information from that person, the person fails to provide complete personal identifying information.

C. Unusual Use of, or Suspicious Activity Related to, a Covered Account

The College offers or maintains the Covered Accounts as defined in Section I.D. above. This Program considers the following Red Flags relating to the unusual use of, or suspicious activity related to, such Covered Accounts:

1. Shortly before a loan disbursement, loan refund disbursement, or transfer of funds to a student relating to a Covered Account, the College receives:
 - a. a request related to such disbursement or transfer from an e-mail address other than the student's official Montgomery College e-mail address;
 - b. a change of address request, especially when accompanied by other requests to change account information (such as a new telephone number or the addition of a new authorized user); or
 - c. a change in bank account information for electronic transfers.
2. The College learns that a student has not received a scheduled loan disbursement, loan refund disbursement or other transfer of funds.
3. Loan payments from a student cease on an otherwise consistently up-to-date Covered Account.
4. Correctly addressed mail or e-mail is repeatedly returned as undeliverable or the College otherwise learns that a student is not receiving mail or other communications from the College.
5. Suspicious activity (such as repeated unsuccessful login attempts) in connection with an online student account.
6. A breach of the College's computer system security affecting Covered Accounts.
7. Unauthorized access to or use of student account information relating to a Covered Account.
8. The College receives notice from a student, law enforcement officer, or other person of unauthorized activities in connection with a Covered Account.

D. Alerts from Others Regarding Possible Identity Theft in Connection with Covered Accounts

A Notice to the College from a student, victim of identity theft, law enforcement officer, or other person, that the College has opened or is maintaining a fraudulent account for a person engaged in identity theft is considered a Red Flag under this program.

IV. Detecting Red Flags

The College will use the measures set forth below to detect Red Flags. In addition, the College finds that its existing policies, procedures, and practices, which are incorporated into this Program—including, without limitation, Employee Responsibilities (Policy 31102); Confidentiality: Employee Use, Release and Disclosure of Information (Policy 31103); Student Cumulative Records (Policy 41003, which addresses requirements under the Family Educational Rights and Privacy Act); Acceptable Use of Information Technology Resources (Policy 66001); IT Program Network and Information Security and Privacy Program (Nov. 30, 2009, as amended); Confidential Data Management and Security (Policy 66002), and the Student Financial Aid Verification and File Review Policies and associated procedures—facilitate the detection of Red Flags and mitigate the risk of identity theft.

To detect Red Flags, the College will conduct the following activities related to the opening or maintenance of Covered Accounts.

A. Opening of Covered Accounts

1. The College will require applicants for Covered Accounts to authenticate their identity by providing, for example, name, date of birth, academic records, home address, Social Security Number, or other information.
2. The College will verify information provided by an applicant by reviewing documents presented that may include the applicant's driver's license, passport or other government-issued photo identification, birth certificate, social security card, certificate of naturalization, tax returns or other documents.
3. For Perkins loans, the College will follow federal law relating to the verification of applications and resolving conflicting information.

B. Existing Covered Accounts

1. The College will reasonably require photo-identification for any transaction involving a Covered Account and the presentation of correct identifying information for telephone transactions.
2. The College will require the use of an ID and password for any online transactions involving a Covered Account. The College's general authentication policies apply, for example:
 - a. authentication must occur before an individual may access any non-public College system or application;

- b. User IDs must be unique;
 - c. A user must use his or her unique User ID and masked passwords of at least eight characters containing at least two valid password character attributes;
 - d. The College may not retrieve forgotten passwords. Reasonable methods are used to identify and authenticate the identity of a user prior to creating or allowing the creation of a new password (for example, correct responses to security questions).
- 3. The Office of Business Services authorizes transmission of funds to students. The Office of Business Services will authorize the transmission of funds relating to Covered Accounts only to:
 - a. the student after presentation of a government-issued photographic identification; or
 - b. the student's mailing address listed in the student's official file maintained by the Office of Enrollment Services and Financial Aid;
- 4. All students are assigned a College e-mail address that is used for the College's delivery of official e-mail communications.

V. Preventing and Mitigating Identity Theft

A. Immediate and Up-the-Ladder Reporting

Should any employee identify a Red Flag, he or she should *immediately* bring it to the attention of the employee's immediate supervisor and the senior vice president for administrative and fiscal services, and shall notify at least one of the following:

- 1. Vice President of Finance/Chief Financial Officer,
- 2. Chief Enrollment Services and Financial Aid Officer,
- 3. Director, Accounts Receivable and Treasurer, or
- 4. Director of Information Technology Policy and Administration.

B. Response

The Program Administrator or his or her designee will investigate the incident to determine whether identity theft or attempted identity theft has occurred or is likely to have occurred. The Program Administrator or designee will respond appropriately under the circumstances, which may include, without limitation:

- 1. Notifying the affected individual;
- 2. Monitoring the Covered Account for suspicious activity;
- 3. Contacting the account holder to verify activity in the Covered Account;

4. Changing passwords, security codes, or other security devices that permit access to the Covered Account;
5. Closing the Covered Account;
6. Notifying law enforcement; or
7. Determining that no response is warranted under the circumstances.

VI. Oversight of Service Providers

A. The College may use certain third party servicers, including an electronic commerce provider, to facilitate online course payments and refunds, and collection agents, in connection with Covered Accounts. The College will act to assure that service providers, conduct their activities in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft. Such measures may include:

1. Limiting the information shared with service providers;
2. Review of the service providers' identity theft prevention policies and practices; and/or
3. Requiring contractual representations relating to the service providers' identity theft prevention policies and practices, including without limitation:
 - a. Requiring service providers to have reasonable policies and procedures to detect, prevent, and mitigate the risk of identity theft;
 - b. Requiring service providers to comply with this Program.

VII. Program Administration

A. Oversight of the Program

The Program Administrator for this program is the senior vice president for administrative and fiscal services. However, the president may at any time designate a new Program Administrator from among senior management. The Program Administrator will be responsible for ensuring appropriate training of the College staff on the Program, reviewing any staff reports regarding the detection of Red Flags, determining the appropriate response to Red Flags to prevent and mitigate identity theft under the circumstances, implementing policies to further operationalize the Program, and evaluating periodic changes to the Program.

B. Staff Training and Reporting

College employees responsible for implementing the Program, including, but not limited to, the employees of the Offices of Business Services, Enrollment Services and Financial Aid, and Information Technology shall complete training in the detection of Red Flags and how to respond when a Red Flag is detected. Other

College employees shall be trained as appropriate to implement the Program effectively.

At least annually or as otherwise requested by the Program Administrator, the offices responsible for implementing the Program shall certify to the Program Administrator compliance with this Program. The report should address such issues as effectiveness of the Program in addressing the risk of identity theft in connection with the opening and maintenance of Covered Accounts, service provider arrangements, significant incidents involving identity theft and the College's response, and any recommendations for changes to the Program.

C. Program Updates

Annually, the Program Administrator will review this Program and, if necessary, update it to reflect changes in risks to students and to the College from identity theft. Such updates may include all aspects of the Program, including the list of Red Flags.

In so doing, the Program Administrator shall consider:

1. The College's experience with identity theft;
2. Changes in the methods of identity theft and its detection and prevention;
3. The addition of or changes to Covered Accounts;
4. The College's business arrangements with other entities;
5. Changes in the College's methods for identifying, detecting, and responding to Red Flags; and/or
6. Changes to technology utilized for cover accounts.

Administrative Approval: January 25, 2013

Chapter: Fiscal Affairs

Modification No. 002

Subject: **Information and Communication Technology Accessibility**

- I. Montgomery College is committed to providing equal access to College programs, services and activities, and environments in which the College procures, develops, maintains, or uses Information and Communication Technology (ICT).
- II. Implementing this policy will help ensure that all individuals have access to information and communication technology associated with administration and services, courses of instruction, departmental programs, and College-sponsored activities as required by Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act As Amended (2009).
- III. It is the policy of the Board of Trustees that the College will:
 - A. Use accessibility guidelines that improve access for all, including those with disabilities.
 - B. Use hardware and software products that are proactively inclusive.
 - C. Design and implement work and learning environments that are more inclusive and bolster access for all users.
 - D. Develop communications, documents, web content, and other multimedia that are consistent with this policy.
 - E. Annually evaluate and monitor current status and progress of Information and Communication Technology (ICT) accessibility.
- IV. Undue burden and/or non-availability of accessible technology may qualify as an exemption from this Policy.
- V. The president is authorized and directed to establish procedures necessary to implement this policy.

Board Approval: May 16, 2016; April 19, 2021

Chapter: Fiscal Affairs

Modification No. 002Subject: **Information and Communication Technology Accessibility**

I. Introduction

The intent of the Information and Communication Technology Accessibility policy is to promote equal access to the College's resources, technologies and services for students, employees, guests and visitors — including those with disabilities. The Information and Communications Technology Accessibility policy encompasses the following areas:

- A. Web content, web-based information, and services — including those associated with courses of instruction, departmental programs, College-sponsored activities, employment, administration and College services.
- B. Hardware and software, enterprise-level systems or technologies that affect a large number of students, faculty, and/or staff, that are developed, purchased, or acquired by Montgomery College.
- C. Environments incorporating technology - including classrooms, computer facilities, on-line instruction, distance learning, libraries and resource centers.
- D. Exemptions — Extreme difficulty or expense (undue burden); Hardware and software tools specific to a development process in which no member of the development team requires accessibility accommodations; Hardware or software for which no equivalent accessible option is available (non-availability).

II. Definitions

- A. Accessible - means a person with a disability is afforded the opportunity to acquire the same information, engage in the same interactions, and enjoy the same services as a person without a disability in an equally effective and equally integrated manner, with substantially equivalent ease of use.
- B. Equally Effective Alternate Access - equally effective alternate access to information and communication technology for persons with disabilities is based on (1) timeliness of delivery, (2) accuracy of translation, and (3) delivery in a manner and medium appropriate to the disability of the person. Such alternate(s), to be equally effective, are not required to produce the identical result or level of achievement for disabled and non-disabled persons, but must afford disabled persons equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement, in the most integrated setting appropriate to the person's needs.
- C. Fundamental Alteration - a change to a College program or service may constitute a fundamental alteration if it alters the essential purpose of the program or service or any of its components. In situations where a fundamental alteration can be documented, equally effective alternate access must still be provided.

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- D. Undue Financial and Administrative Burdens - undue financial and administrative burdens are created when a proposed course of action causes significant difficulty or expense. Because an institution must consider all resources available when reviewing claims of undue financial and administrative burdens, the decision to invoke undue financial and administrative burdens should be carefully weighed and sufficiently documented. In situations where undue financial and administrative burdens can be documented, equally effective alternate access must still be provided. (U.S. Department of Justice, 2013)
- E. "Information and Communication Technology (ICT)" - is a term used to describe technologies that provide access to information and/or serve as a mechanism of communication which was previously referred to as Electronic and Information Technology (E&IT) up to March 2018. ICT includes any equipment or interconnected system or subsystem of equipment that is used to create, convert, or duplicate data or information. Technologies that fall into this category include websites, mobile applications, cloud computing, software, copiers, fax machines, printers, ATM's, Kiosks, Telecommunications, and Multimedia. includes information technology and any equipment or interconnected system or subsystem of equipment that is used in the creation, conversion, or duplication of data or information.
- F. Legacy Web Page - is a web page published prior to the effective date of this policy.
- G. New Web Page - is a web page created for or by any Montgomery College unit after the effective date of this policy.
- H. Revised Web Page - is a web page that has been altered or updated through visual design or significant content additions, subtractions, or modifications after the effective date of this policy.
- I. Web Content Accessibility Guidelines (WCAG) - is a set of globally accepted guidelines iteratively developed through the Web Accessibility Initiative (WAI) by the World Wide Web Consortium (W3C) that develops web standards such as HTML and CSS.
- J. Universal Design Center (UDC) – The UDC is a virtual center that supports the College community by removing barriers in working and learning environments through the use of accessible information communication technology, inclusive physical environments, and through the promotion of inclusion, social justice, and cultural competence.
- K. Universal Design Center (UDC) Steering Committee – The UDC Steering Committee is the Universal Design Center governance group and advisory group on issues and decisions.
- III. Websites
- A. All new and revised web pages, web applications and web content, and website templates, published or hosted by the College, program, unit, or faculty that are available to students, prospective students, or applicants must comply with the Web Content Accessibility Guidelines (WCAG) AA.

- B. All new and revised web pages must indicate in plain text a method for users having trouble accessing the site to report the inaccessibility. The disclaimer should state, "The College's website must contain a link to MC's Commitment to Accessibility and a method to report barriers and/or to receive an equally effective accessible format."
 - C. Legacy Pages: Priority will be given to creating accessible web pages for core institutional information such as course work, registration, advising, admission, catalogs, and student services information. Departments with large web sites containing core institutional information that is made available to students, prospective students, or applicants should establish priorities for ensuring access to these pages according to the pages being used or requested most often. The following guidance is suggested for setting priorities to make legacy web pages accessible:
 - 1. Web pages specifically requested to be made accessible as part of a formal accommodation request shall be made accessible as soon as possible, or an equally effective alternative shall be provided. Undue administrative or financial burdens may contribute to a determination that alternative formats be used to provide the information to individuals requiring use of the information.
 - 2. Other pages that are determined to be of the most importance in providing college services online (core institutional information) should be placed in the first priority.
 - D. Exemptions
 - 1. Archived web pages do not have to comply with Web Content Accessibility Guidelines (WCAG) AA, unless specifically requested by an individual with a disability. Units with legacy pages not deemed high priority also do not have to comply with Web Content Accessibility Guidelines (WCAG) AA, but are encouraged to identify and improve the accessibility of their pages.
 - 2. Undue burden and non-availability may qualify as an exemption from the policy under the following circumstances:
 - a. Where compliance is not technically possible, or is unreasonably expensive or difficult in that it may require extraordinary measures due to the nature of the IT or the intent of a web page.
 - b. The conclusion of undue burden or non-availability is an institutional decision to be made by the Director of ADA Compliance, or designee, in consultation with the affected unit and others with relevant perspective or expertise.
- IV. Instructional Materials
- A. Instructional materials, digital resources, and utilized technology created, maintained, or used by a program, unit, or faculty must be accessible to

individuals with disabilities at the same time they are available to any other student.

- B. Each program and instructor using pre-existing instructional content, ICT, and open source resources used prior to this policy should develop and implement a plan to make the learning environment accessible.

V. Procuring Accessible ICT

- A. The College will ensure that any new technology it broadly makes available to students, prospective student applicants, employees or prospective employee applicants including web applications, mobile applications, cloud computing, software, copiers, fax machines, printers, ATM's, Kiosks, Telecommunications, and Multimedia is accessible, provided such new technology is commercially available and its purchase does not result in undue financial and administrative burdens or a fundamental alteration. If a product is available and meets some, but not all, of the relevant accessibility provisions of the WCAG level AA, the product that best meets the standard must be procured.
- B. Those responsible for making decisions about which products to procure must consider accessibility as one of the criteria for acquisition. The College will follow the below process to ensure information and communication technology developed, purchased, or acquired by the College is accessible:
 - 1. Vendors must be asked to provide information about the accessibility of their products by providing a Voluntary Product Accessibility Template ([VPAT](#)).
 - 2. The information provided by vendors must be valid, evaluated with reliable and objective testing methodology.
 - 3. Those procuring or utilizing multimedia (i.e. video, documents, ePubs, Open Education Resources (OERs)) must include accessibility as a requirement and must be able to objectively evaluate the accessibility of products, and to scrutinize the information provided by vendors. The Universal Design Center (UDC) will provide assistance with review of documentation in determining the accessibility of new technology. Accessibility also includes open sourced and free materials and content, training modules, and support resources.
 - 4. In conjunction with the Office of Procurement, the UDC will establish internal procedures consistent with best practices to promote an efficient procurement process in compliance with federal, state, and local laws.

VI. Technical Assistance, Exceptions, and Monitoring

- A. Montgomery College has a responsibility for providing and creating accessible environments, tools, and materials Accessibility is a shared responsibility among all College collaborators, including Disability Support Services (DSS), the Office of Information Technology (OIT), E-Learning, Innovation, and Teaching Excellence (ELITE), the Office of Compliance, Risk, and Ethics, administrative and academic departments, faculty, and staff.

- B. The Universal Design Center (UDC), with the UDC Steering Committee , and other collaborative departments/units, such as ELITE supporting training, will provide resources, information and professional development on plan development and implementation, as well as on improving accessibility of programs, web content, instructional materials and other ICT.
- C. When compliance is not technically possible, would require a fundamental alteration, or would result in undue financial and administrative burdens, exceptions to the policy may be granted by The Universal Design Center (UDC), in consultation with the UDC Steering Committee, and in conjunction with the director of ADA compliance. Requests for exemption must be in writing to the Universal Design Center (UDC). Whenever an exemption is granted, the College must develop a plan to provide equally effective alternate access to the information or service of the technology to students, prospective students, applicants, and employees.
- D. The College will periodically conduct audits of websites, instructional materials, procured or acquired ICT used by departments, programs, and faculty, inform them of the results, and initiate remedial action for identified accessibility barriers.

Administrative Approval: May 18, 2016; April 20, 2021

Chapter: Fiscal and Administrative Affairs

Modification No. 001

Subject: Data Asset Management and Security

- I. The Board of Trustees recognizes that data asset management is an essential part of fulfilling the College's mission. Data asset management promotes strategic decision-making, student success, institutional sustainability, and good stewardship by providing a more consistent user experience to internal and external audiences.
- II. The purpose of this policy is to govern the confidentiality, integrity, availability, ethical use of and quality of College data to drive evidence-based decision making, to assign responsibilities for the control and appropriate stewardship of College data, and to support and maintain related policy principles and procedures.
- III. It is the policy of the Board of Trustees that data is an institutional asset and will be managed according to a Collegewide data governance framework to facilitate the mission and activities of the College and minimize exposure to risk inherent in information management. Data asset management provides oversight and vision to institutional data and the information systems, software, and hardware that makes data assets available. No individual or unit owns any data elements. It is owned and managed by the College, and not tracked in silos.
- IV. Data shall be collected in a lawful, ethical, and appropriate manner in accordance with the requirements of applicable laws and regulations (e.g., FERPA, GDPR, PCI, etc.).
- V. This policy creates, under the authority of the President, a data governance framework to support the consistent and appropriate management of College information.
- VI. The College will provide education programs to employees and students to heighten awareness of the critical value of College data, the need to protect it, and its use in data-informed decision-making.
- VII. The president is authorized to establish procedures necessary to implement this policy.

Board Approval: February 21, 2022.

Chapter: Fiscal and Administrative Affairs

Modification No. 001

Subject: **Data Asset Management and Security**

I. Definitions

- A. College Data ("Data"): All Data, regardless of its origin within the College, that is used by or belongs to the College, or that is created, processed, stored, maintained, transmitted, or copied using College IT Resources. For the purpose of this procedure, the terms "data" and "information" are used interchangeably. They include any information kept in print, kept electronically, kept as test Data in a non-production system, or kept audio-visually, whether stored onsite or offsite, that meets any of the following criteria:
1. Created or updated via the use of the College's Systems of Record or used to update Data in the Systems of Record;
 2. Acquired or maintained by College employees in performance of official administrative or academic job duties;
 3. Relevant to planning, managing, operating, or auditing a major function at the College;
 4. Included in College administrative reports or College records.
- B. Data Classification (per College Procedure 66002CP): An assigned classification to Data defined as below:
1. Confidential (High Risk): Data and systems are classified as high risk if:
 - a. Protection of the data is required by law/regulation, or
 - b. Montgomery College is required to self-report to the government and/or provide notice to the individual if the data is inappropriately accessed; or
 - c. Any Data that could, by itself, or in combination with other such data, be used for identity theft, fraud or other such crimes; or
 - d. The loss of confidentiality, integrity, or availability of the data or system could have a significant adverse impact on our mission, safety, finances, or reputation.
 - e. Examples of confidential Information includes but are not limited to the following: the personnel record of any past or present employee; any record containing PII; credit or debit card data; student information which has not been identified as directory information (see Board Policy #41003 Student Cumulative Records); records or material that have otherwise been identified

as confidential, subject to trademark or a copyright protection, or for which there is a contractual limitation on disclosure; records of the Office of General Counsel, or any records of which exposure unnecessarily invades personal privacy or impairs individual rights.

2. Sensitive (Moderate Risk): Data and systems are classified as moderate risk if they are not considered to be confidential and high risk and:
 - a. Data that is not protected by regulatory requirements, but is considered internal use only, or
 - b. The loss of confidentiality, integrity, or availability of the data or system could have a mildly adverse impact on our mission, safety, finances, or reputation.
 - c. These Data might include, but is not limited to, employee, academic, planning, facility, emergency or administrative Data that is restricted for reasons related to public or individual safety, competition, ongoing development or is otherwise sensitive in nature.
 - d. Examples include employment Data, financial transaction Data and purchasing Data.
3. Public (Low Risk): Data and systems are classified as low risk if they are not considered to be moderate or high risk, and:
 - a. The data is intended for public disclosure, or
 - b. The loss of confidentiality, integrity, or availability of the data or system would have no adverse impact on our mission, safety, finances, or reputation.
 - c. Examples include Press Releases and Course Schedule and Directory Information (as defined in Board Policy #41003).

- C. Data Access: The rights to read, enter, copy, query, download, upload, test or update Data. The scope of Data Access allowed to any Data User will vary given their academic or business need and may change from time to time. Users with access to Confidential or Sensitive Data will take training as established by the College and will execute required confidentiality agreements.
- D. Data Access Provisioning: The processes established for requesting, granting, and terminating permission to access Data in the Systems of Record or other approved Data stores.
- E. Data Set: A collection of related College information that supports the College mission or activities.

- F. Data Security: Processes that administer and monitor Data Access and, consistent with laws and industry standards, protect the confidentiality, integrity and availability of Data.
- G. Data Trustees: College administrators who have responsibilities for major data management decisions to include oversight of the implementation and verification of processes for Data privacy, protection, access, and accountability. Data Trustees may designate appropriate personnel to complete processes required under this Procedure.
- H. Data Stewards: Subject matter experts about the data utilized in their unit or area, who can provide background on current and future data needs for that unit. Data Stewards are appointed by their respective Data Trustees.
- I. Data Stewardship: The responsible oversight of a data set, including principal responsibility for the establishment of standards and guidelines for appropriately managing and securing that data across the College.
- J. Data Users: Individuals with authorized access to use Data as part of their assigned duties. Individuals who have access to Data are in a position of special trust and as such are responsible for protecting the security and integrity of that Data. Data Users can be employees, contractors or any role given access to Data.
- K. Information Technology Resources ("IT Resources"): IT resources include all electronic equipment, facilities, technologies, and data used for information processing, transfer, storage, display, printing, and communications by Montgomery College or its Users. These include, but are not limited to, computer hardware and software, computer labs, classroom technologies such as computer-based instructional management systems, and computing and electronic communications devices and services, modems, email, networks, telephones, voicemail, facsimile transmissions, video, multi-function printing devices, mobile computer devices, data, multimedia and instructional materials. This definition also includes services that are owned, leased, operated, provided by, or otherwise connected to Montgomery College resources, such as cloud computing or any other connected/hosted service provided. (see College Procedure (AUP)).
- L. Least Privilege: The privacy and security objective of granting Data Users access to Data in the most restrictive set of privileges needed to perform their assigned duties. It further includes specific activities, technical processes and written processes that enforce and secure the minimal set of privileges.
- M. Personally Identifiable Information (PII): Data that can be used, in part or in combination with other Data to distinguish or trace an individual's identity, such as name, social security number, date of birth, student/staff M number; and any other information that is linked or linkable to an individual, such as medical, educational, financial, or employment information.
- N. System Administrator: A system administrator is an employee or contractor who is responsible for the upkeep, configuration, and reliable operation of computer systems; especially multi-user computers, such as servers. It includes system

administrators, database administrators, network administrators, web administrators, desktop administrators and Office of Information Technology support staff.

- O. Systems of Record: Software applications that act as central collegewide repositories of business activities. This specifically includes human resources, payroll, financial management; student admissions, schedules, grades, counseling, financial aid, alumni records; advancement records; library patron activity; e-mail; and student learning systems.

II. Data Governance

- A. Data governance is a cooperative effort; the success of data governance efforts depends on collaboration between key College stakeholders, who provide critical expertise and perspectives related to specific aspects of data management and security, and the College community.
 - 1. Data trustees provide a strategic perspective on data governance. They direct institutional data initiatives and ensure that data is used in support of the College's mission, vision, and strategic goals.
 - 2. Data stewards provide an operational perspective on data governance. They oversee efforts to ensure and improve the informational quality, effectiveness, usability, strategic value, access to, and security of data. They also understand how their data is managed and used across the institution.
 - 3. Data custodians provide a technical perspective on data governance. They manage information systems and shared data repositories on behalf of data trustees and data stewards. They also understand the underlying infrastructure that supports the management and security of data across the institution.
- B. The President and/or the Chief Analytics and Insights Officer will establish and oversee the Data Trustees Council (DTC).
 - 1. Data Trustees Council (DTC): Membership of the DTC will be composed of, but not limited to, the Data Trustees, appointed by the Chief Analytics and Insights Officer in consultation with each senior vice president and the president's office, and the chairs of the Data Stewards Committee (DSC) and the Data Security Advisory Committee (DSAC). It is charged with setting institutional priorities of data quality and data driven decision making. The DTC will have the authority, interest, and resources necessary to:
 - a. Define management responsibilities around various data sets.
 - b. Create and track actions related to data.
 - c. Oversee data stewardship efforts for the College information entrusted to their care.

- d. Identify and work to eliminate silos and barriers to data management throughout the College.
 - e. Recommend institutional policies, procedures, standards and guidelines for the storage, accessibility, and management of institutional data.
 - f. Appoint representatives to the DSC and DSAC.
 - g. Ultimately be accountable for their functional area's compliance with policies, laws, regulations, standards, and guidelines for the appropriate management of College information.
 - h. Provide clarification and conflict resolution about data management.
2. In addition, there will be two operational sub-committees to assist with data Governance:
- a. Data Stewards Committee (DSC): The DSC will be represented by Data Stewards, identified by their respective Data Trustees, and is charged with
 - 1) Oversee the informational quality, effectiveness, usability, strategic value, and security of the College information within their stewardship.
 - 2) Establish definitions of the data sets within their stewardship.
 - 3) Develop and promulgate data management standards and guidelines to ensure the confidentiality, integrity, availability, and usefulness of College information within their stewardship.
 - 4) Ensure that College information within their stewardship is managed according to legitimate interests and operational requirements and in a manner that ensures the privacy and security of that College information.
 - 5) Develop and publish standards and guidelines for access to College information within their stewardship.
 - 6) Review and approve uses or proposed uses of College information within their stewardship.
 - 7) Authorize the creation of shared data repositories containing College information within their stewardship and assign custodianship responsibilities for those shared data repositories.

- 8) Authorize the access of individual end users to College information within their stewardship.
- 9) Audit at least annually the authorized access to College information within their stewardship.

- b. Data Security Advisory Committee (DSAC): The DSAC will be composed of the IT Policy Administrator (ITPA), and representatives appointed by the Data Trustees.

The DSAC will have the authority, interest, and resources necessary to:

- 1) Assist the EAC and DSG in the implementation of the risk management aspects of this policy.
- 2) Create and maintain appropriate guidance documents or resources (i.e. Data Classification Matrix) to help Data Users more fully differentiate between Confidential, Sensitive and Public information, as well as approved storage of the data classes.
- 3) Assist data stewards in coordinating initiatives to improve the confidentiality, integrity, and availability of College information across the College and its units.
- 4) Aid in the development of standards and guidelines concerning the management of information security and risk by the College and its units.
- 5) Report to the DAMC relevant security initiatives and recommendations as appropriate.
- 6) Enforce and clarify Data Classification, Access, Authentication and Storage of College Data.
- 7) Serve as liaison between the College community and the Office of Information Technology.

3. In the event of a conflict with College Policy and Procedure 66002, the ITPA will have the authority to make final decisions in the interest of data protection.

III. Education

Education is a key element of this Policy. The College will provide education and information, as appropriate, for students and employees to enhance understanding and increase awareness of the College's Data Asset Management Policy and these Procedures. Any mandatory education requirements will be announced and posted on the College's website. The President is authorized to provide institutional leadership and guidance for developing education programs to increase knowledge and share

information and resources to prevent violations of this policy and procedure. Some goals to be achieved through education are: (a) notifying individuals of conduct that is proscribed; (b) informing employees, students, and other members of the college community, including contractors, about the proper way to recognize and address complaints involving a violation of this Policy; and (c) preventing issues that this Policy addresses.

Administrative approval: February 25, 2022.

Chapter: Facilities

Modification No. 002Subject: **Maintenance of Undesignated Reserve Fund Balance**

I. Fund Balance Policy Philosophy

It is the College's policy to maintain undesignated reserve fund balances at a level sufficient for financial liquidity to meet normal operating and contingency obligations, temporary financing of unforeseen needs of an emergency nature, adverse changes to the economic environment and to facilitate the orderly adjustment to changes resulting from possible declines in revenue sources. This fund balance policy is intended to provide for unanticipated expenditures or revenue shortfalls of a non-recurring nature. Recurring problems will require long-term solutions, which reflect a basic reconsideration of revenue streams and expenditure levels.

II. Definition

Fund balance is the difference between the value of a fund's assets and the value of the liabilities within a fund or fund group. Fund balance is not the cash balance, nor is it the difference between revenues and expenditures in a given year. It is, however, the cumulative difference of all revenues and expenditures since the existence of the institution or fund.

III. Policy Statement

In order to protect the financial stability and integrity of Montgomery College, to provide sufficient liquidity required for daily operations and to address unplanned needs, the College shall maintain adequate undesignated reserve fund balances for the following funds:

- A. Operating
- B. Auxiliary Enterprises
- C. Workforce Development and Continuing Education
- D. Montgomery College Cable TV
- E. Emergency Plant Maintenance

IV. The President is authorized and directed to establish procedures necessary to implement this policy.

Board Approval: July 9, 2001; October 17, 2016.

Chapter: Facilities

Modification No. 002Subject: **Maintenance of Undesignated Reserve Fund Balance****I. Introduction**

Montgomery College recognizes the enterprise nature of higher education institutions and understands that the maintenance of undesignated reserve fund balances will provide the institution with the opportunity to manage its resources more effectively.

The practice of establishing and maintaining undesignated reserve fund balances makes good business and operational sense. Undesignated reserve fund balances serve to:

- 1) Guard against unanticipated revenue shortfalls; and
- 2) Minimize the impact on the operation of the College when revenue shortfalls or unexpected significant expenses occur.

Examples of such an activity are the sudden revenue reduction which can occur with the loss of State Aid or a County Savings Plan, or when enrollment proves to be lower than the budget was predicated. Maintaining undesignated reserve fund balances will guard against these unanticipated significant actions and provide a mechanism for better financial management throughout the fiscal year.

An adequate level of undesignated reserve fund balance also indicates fiscal stability which is an important factor considered by credit rating agencies in the evaluation of the credit worthiness of institutions.

II. Institutional Procedures**A. Operating Fund**

The operating fund supports the primary activities of the institution. The College offers multi-campus diversified post-secondary career and transfer education programs, career training and support services to the residents, businesses and other organizations within Montgomery County. The operating fund provides for the majority of the credit course offerings of the institution. Primary funding sources are county support, state support, student tuition and fees, and interest income. The undesignated reserve fund balance in the operating fund should be sufficient to:

1. Fund contingencies or emergencies as defined by the College.
2. Permit the College to plan for major expenditures that may require more funds than would be available for the specific purpose in a single year.

It is expected that the College will maintain an undesignated reserve operating fund balance of 3 to 5 percent of budgeted resources minus the annual contribution from the county.

B. Workforce Development & Continuing Education Fund

The Workforce Development & Continuing Education fund is a self-supporting fund which administers non-credit offerings. The non-credit program includes courses, activities, and programs of a post-secondary nature as well as youth programs which are non-traditional in structure and are responsive to community needs. Primary funding sources are tuition and fee revenues, state support, and interest income.

The undesignated reserve fund balance in the Workforce Development & Continuing Education Fund should be sufficient to:

1. Defray unanticipated emergency expenditures
2. Fund equipment replacement through a designation each year of an appropriate percent of the current replacement value that is related to the useful life of the unit's equipment
3. Fund research and development projects
4. Fund a percentage of the annual operating budget as a contingency to provide fiscal stability in the event of unfavorable economic conditions

It is anticipated that an acceptable level of undesignated reserve fund balance should be 25 percent of the Workforce Development & Continuing Education operating expenditures. The fund balance in this unit may vary significantly dependent on the annual funding requirements of the unit.

C. Auxiliary Enterprises Fund

An auxiliary enterprise is an activity that exists predominantly to furnish goods or services to students, faculty, staff and the community which charges a fee or service charge related to the cost of the goods or services. These activities are operated and administered as self-supporting, centralized units of the College. Primary funding sources are fees for services, retail sales revenue, interest, and rental revenue.

The undesignated reserve fund balance in auxiliary enterprises should be sufficient to:

1. Fund equipment replacement through a designation each year of an appropriate percent of the current replacement value that is related to the useful life of the equipment;
2. Fund research and development projects;
3. Fund a percentage of the annual operating budget as a contingency to provide fiscal stability in the event of unfavorable economic conditions.

It is anticipated that an acceptable level of undesignated reserve fund balance should be 25 percent of the Auxiliary Enterprises' operating expenditures. Fund balances in this operation may also vary significantly dependent on the annual funding requirement of this unit.

D. Cable TV Fund

The cable TV fund provides video productions services to Montgomery College, its faculty, staff and partners. Primary funding sources are county support and grant funding. The undesignated reserve fund balance in the cable TV fund should be sufficient to fund contingencies and emergencies as defined by the College.

The College shall maintain an undesignated reserve fund balance of 5 percent of the cable TV's operating expenditures.

E. Emergency Plant Maintenance & Repair Fund

The emergency plant maintenance and repair fund (EPMRF) is a spending affordability fund. The purpose of the fund is to support the College's emergency maintenance needs. Primary funding source is from the county.

The College shall maintain an undesignated reserve fund balance of at least 1 percent of the replacement value of the College's physical plant (excluding equipment).

- III. Compliance with the required undesignated reserve fund balances set forth above shall be reviewed as part of the annual close of the fiscal year.

Administrative Approval: July 9, 2001; October 18, 2016.

Chapter: Fiscal and Administrative Affairs

Modification No. 001

Subject: **Intellectual Property**

- I. Montgomery College fosters and supports a College environment that encourages creativity and development of new intellectual works in their various forms by its faculty and staff. In appropriate cases, with early disclosure of the effort, the College will recognize ownership in the creator(s) of the work with a right of the College to use the work for its educational mission and the development of its employees, and to participate in an appropriate royalty share in external marketing of the work by its creator(s). However, with respect to intellectual works that are created at the direction of the College to support administrative/non-instructional functions and other works specifically designated by the College, the College will generally retain ownership and rights to the work, subject to specific written agreements to the contrary.
- II. The president is authorized to establish procedures necessary to implement this policy.

Board Approval: October 15, 2001.

Chapter: Fiscal and Administrative Affairs

Modification No. 003Subject: **Intellectual Property**

I. Preamble

Montgomery College (hereinafter "the College") encourages its faculty and staff members to create and participate in the development, presentation and delivery of new intellectual works, including works of art, performance, literature, and technology, and associated technology-based instruction processes and creation of software products related to instruction and the mission of the College. By encouraging creativity and entrepreneurial activities by faculty and staff, the College will attract and retain talented professionals who will serve and instruct our students and community with innovative instruction, creative ideas, quality artistry and cutting edge technology delivery. The College also supports and encourages open and full collaboration among faculty and staff to produce higher quality outcomes and teamwork in a mutually satisfying environment. In certain cases, when public resources at the College combine with work and effort of faculty and staff to produce an economically successful intellectual property work for the marketplace outside of the College, it is desirable that faculty and staff who develop the work be permitted to own and market the work and realize a majority of financial returns from the work while accepting the risks and expenses associated with such marketing. However, in certain cases, a specified share of the net proceeds should be returned to the College at a certain level of financial success in order to recognize the role of public support for the effort and to further support the future development efforts of the College as an institution of learning. In all cases, it is appropriate that the College have the right, by perpetual, fully paid, non-exclusive license, to appropriate use or display of the work for its internal instruction and education purposes, as well as permit appropriate use or display by faculty and staff to instruct and to further develop and create new or additional applications for internal use.

II. Purpose and Scope

The purpose of Board Policy is to foster the creation and dissemination of knowledge while defining individual and institutional ownership and use rights and the distribution of revenues and other benefits that accrue from the creation and commercialization of intellectual property. This policy also confirms the non-competition obligations of faculty and staff in the use, display or sale of intellectual property works subject to this policy.

III. Definitions

For purposes of these procedures, the following definitions shall apply:

Copyright/Copyrightable Work - The Copyright Law of the United States protects original works of authorship that are fixed in any tangible medium of expression. Originality, in the context of copyright law, this means simply that the work has not been copied, i.e., it is an independent creation. A work is "fixed" in a tangible medium of expression when its embodiment in a copy or phonorecord is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration.

Under U.S. law, software is generally protected under copyright law, though in some cases software may be the subject of patent protection. For the purposes of this Policy, software used to disseminate knowledge, (e.g. course notes created in and/or distributed through CD-ROM technology) is copyrightable. To the extent that such software is

subject to patent protection, Board policy applies to such software as well.

Courseware - The set of tools and technologies used to present course content, independent of the content itself.

Course Content - The intellectual content of the course, as taught at or through the College.

Exempted or Traditional Scholarly Work - A scholarly work that falls within certain categories of copyrightable works for which academic institutions have historically waived any ownership interest in favor of the author or work that the College otherwise determines is appropriate to exempt from the requirements of Board policy under these procedures. The College will recognize the following as categories of exempted or traditional scholarly works: all forms of tangible art, including but not limited to paintings, sculpture, apparel and jewelry (not including software graphics or design elements), textbooks, class notes, original written handouts created by faculty, written syllabi created by faculty, research proposals, in-person classroom presentation and instruction (separate and apart from software that may be used in such presentation), scholarly articles, scholarly monographs, dramatic works and performances (but not including videotapes, movies and other multimedia presentations not performed in a live setting) poetry, and popular fiction and nonfiction. As new types of works become established as scholarly works, the College may choose to expand this list beyond these historically established categories.

Institutional works. Institutional works are certain works produced as a collaborative effort under the supervision of a department of the College. Institutional works include, for example, works created in a project initiated and directed by a department, or works that are created and then developed and improved over time by a series of individuals, where authorship cannot be attributed to any one individual or group of individuals. Examples of the latter would be certain kinds of software or certain administrative forms that are developed and then improved and updated over time by multiple creators. Ordinarily, institutional works shall also include works that are created at the direction the College to support administrative/non-instructional functions, subject to specific written agreements to the contrary.

Patent - Patent is the bundle of rights protected by intellectual property law that protects inventions or discoveries which constitute any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof. Board policy and this procedure applies to intellectual property subject to patent protection.

Software - Software is a general term for the various kinds of programs used to operate computers and related devices. Software is often packaged on CD-ROM and diskettes or downloaded over the Internet. Software in this procedure shall include related materials and documentation associated with the software.

Work for Hire - Copyright ownership initially vests in the creator of the work. The only exception to this rule is where the work is a work for hire. "Work for hire" generally refers to a work that is prepared by a Staff or Administrative employee within the scope of his or her employment.

Certain specially ordered or commissioned works can also be considered works for hire, but only if they fall into certain categories of works that are enumerated in the Copyright

Act and there is a written agreement between the creator and the party commissioning the work that the work will be considered a work for hire. "Work for hire" status means that the employer is considered the author of the work under the Copyright Act, unless there is a written agreement to the contrary that is signed by both parties. Works subject to faculty ownership under this procedure and "exempted or traditional scholarly works" are not treated as works for hire under these procedures unless there is a specific written agreement with the College specifying otherwise.

Works – Intellectual property as defined or recognized by law and custom created or developed through the application of intellectual efforts by one or more persons.

IV. Ownership of Intellectual Property

- A. **Title.** The College recognizes ownership and title of works in faculty and staff creating and developing such works, subject to use and other rights provided in Board policy and these procedures and subject to exceptions for "work for hire," institutional works and works developed without disclosure as required by this policy.
- B. **Exempted or Traditional Scholarly Work.** The College continues to recognize ownership in the creator of works defined as "exempted or traditional scholarly work" without modification as a result of these procedures. These works need not be disclosed pursuant to Board policy and these procedures.
- C. **Work for Hire.** Although ownership is presumed to vest in the creator of the work, in certain instances where work is performed by Staff or Administrative employees within the scope of employment or by third party contractors pursuant to a written agreement, ownership may vest in the College. For purposes of ownership of works for hire not otherwise exempted under this policy, it is presumed that ownership vests in the College, unless there is a specific written agreement regarding the creation of the work and that agreement specifically vests title or ownership in someone other than the College. In the case of non-employee third parties with which the College is contracting for services related to creation or development of the work, it is the general policy of the College (subject to exception approved by the President or the designee of the President) to enter into written "works for hire" agreements in which the College will obtain or retain ownership rights in the work as part of the agreement for work or services. Where the College owns the copyright in a work, it will acknowledge creators (including creators of works for hire) who have made a substantial creative contribution to the work, if the creators so request.
- D. **Institutional Works.** The College generally owns institutional works. Accordingly, software and related documentation as well as other works created by employees at the direction of the College for College administrative support purposes, such as documents for administrative use and computer software created by non-faculty staff employee programmers of the College for use by the College are generally considered works for hire. However, in the sole discretion of the College, the College may execute an agreement with employees to memorialize ownership in the employee creating such works. Staff employees may be directed to develop works, including software for use by the College, and may be further directed, at the sole discretion to the College, to execute a work for hire agreement recognizing ownership in the College.

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- E. **Pre-Existing Works.** Works developed and pre-existing at the time of employment or other relationship with the College are exempt from this Policy, provided that written disclosure describing the work is made to the College within 30 days of employment or the effective date of this procedure (whichever is later), and so long as no further derivative modifications are made by the creator during the term of employment or other relationship with the College.
- F. **Special Exemption Works.** An employee may apply in writing to the College for a Special Exemption from the Policy for works created during employment with the College where such works are clearly distinct from the education mission of the College and are outside of the scope of employment of the employee (e.g., creation of a new fishing lure by a member of the math faculty during employment with the College). An IP Review Panel designated as provided in Paragraph IX below shall review the application for exemption and make recommendation to the President of the College (or designee) who shall have the final authority to grant the special exemption for the described work.
- V. License for College Use (Including Display) of Intellectual Property.
- A. **License of Intellectual Property.** All works created or developed by College faculty or staff shall be subject to an irrevocable royalty-free, fully paid nonexclusive right of the College to use or display the works for internal College purposes. This right of use shall include the right to use all associated materials and documentation (such as syllabus and material given to students), as well as the right to modify and amend, including to develop derivative uses, for College purposes. This license to the College is perpetual and does not include a right to market or sell for commercial purposes. Upon request of the College, the faculty or staff owners of the work will execute agreements that memorialize this license in favor of the College.
- B. **Use of Intellectual Property.** The College and its faculty, students and staff may use the work for internal, non-commercial educational or support purposes, and such use may include display of the work, utilization of the work in modified forms to create derivative works or compilations, or use in other contexts than originally contemplated by creators of the work. This use of the work shall include the right to make copies for use in scholarship, teaching and research.
- VI. Obligations of Faculty and Staff
- A. **Disclosure and Coordination.** In order to promote advance planning and collaboration for the most effective use of the work by the College, to avoid legal issues and conflicts that can arise, and in order to effectively coordinate use of College resources to support the creation and development of the work, disclosure of intention to create, or the creation of, a work to the College must be made as soon as possible. Ordinarily, this period of time shall be within one hundred and twenty (120) days of the effective date of this Procedure and its distribution to all persons through the College's e-mail system to persons on the "MC Communications mailbox" (subject to further extension on a case by case basis upon good cause shown as determined in the sole discretion of the IP Review Panel created hereunder) or within sixty (60) days of the initiation of the work, whichever is later. An important obligation of faculty and staff who desire to create the work is such early disclosure of their creative activities to their respective Dean or administrative supervisor. This disclosure must be in writing

and identify the goals and proposed applications for the work and identify resources of the College that could be used to facilitate the creation of the work.

- B. **Required Permissions.** It is the responsibility of the faculty or staff members who are creating the work to ensure that the work does not use or infringe upon intellectual property owned by others. If the work does include such intellectual property, the creator is responsible for obtaining all necessary licenses, releases and permissions for use of the intellectual property in the work. The College may require assurance that the work does not infringe upon the intellectual rights of others.
- C. **Conflicts of Commitment; Conflicts of interest.** Independent of ownership, and subject to any policies of the College regarding conflict of interest or conflict of commitment, a member of the faculty or staff may create works at or for other academic institutions only with permission of the President or the President's designee, and generally then only as part of ordinary scholarly exchanges, including visiting Instructorships and guest lectures, as long as these activities do not include or allow the commercialization of any course content, courseware or other teaching or research-related activities created or conducted at another institution unless the works are also licensed to the College for use as provided herein for works created at the College. This requirement for permission and prohibition on conflict of commitment and conflict of interest activities as they may apply to such works shall extend for the term of employment, and in the case of software, for a period of three (3) years after the date of termination of the faculty or staff member from the College. This requirement for permission shall not apply to sales of developed works to third parties so long as the member of the faculty or staff does not participate in rendering services in connection with the work (e.g., in the sale of software consisting of courseware and course content, a faculty member may not physically present the course at another institution or through another entity other than the College, except with permission).

VII. Royalty and Revenue Sharing

- A. **Net Revenue Sharing.** The College shall be entitled to share in "Net Revenues" generated by sales of the work outside of the College to the extent of five percent (5%). "Net Revenues" shall be determined after reimbursement to the creators of the works of all costs of development, including attorney fees and accounting costs, costs of sales and marketing. The College shall be offered access to the books and records relating to the sales of the works outside of the College at least once per year, together with such documentation of costs and expenses as the creator may wish to present. The College may then accept access and review such books and records and additional documentation at its discretion, but is not required to do so.
- B. **Title and Ownership.** Title and ownership to the works is unaffected by the revenue sharing provided in Board policy and this procedure. All transfers of ownership in the works, direct or indirect (through stock transfers, etc.), shall not affect the right of the College to royalties provided in Board policy and this procedure, and notice of such transfers shall be given to the College (including name and address of all transferees) as well as notice to all transferees of the royalty interest of the College.

VIII. Miscellaneous Provisions

- A. **Use of College Name or College Marks.** Use of the College's name or the College's Marks in connection with a work, other than by way of identification of the creator as a member of the faculty, staff or student at the College, constitutes use of a valuable College asset, requiring separate and explicit written permission from the College to do so. Use of the College's name or the College's Marks can affect the reputation and academic standing of the institution, the value of the marks and can constitute a misuse of a public resource in certain situations. Consistent with the College's general use of name policy, faculty, staff and students may not participate in the creation or use of works that might give the impression of College sponsorship unless there is specific written permission from the College. Any uses of the College name or the College's Marks (other than to identify the creator by his or her title at the College) in connection with a work created by a member of the faculty or staff, or by a student, must be approved in advance by the College.
- B. **Documentation regarding Rights of Use; Ownership.** The College and creators of works will cooperate in the execution of documentation that will establish and confirm rights of use, title and ownership consistent with this policy. Each will execute such documentation as may be necessary to establish such respective interests in the works.
- C. **Attribution for Original Created Work.** As a professional and ethical courtesy, employees who use works created by other employees under this policy and procedure are expected to include a "created by" citation that gives credit to the original creator(s) of the work.

IX. Administration; Dispute Resolution.

- A. **Administration.** The intellectual property policy will be administered by the Dean of the appropriate department, in the case of faculty, and by the administrative supervisor, in the case of staff. Questions regarding forms of agreements and contracts shall be referred to the general counsel of the College.
- B. **Dispute Resolution.** In the event of a dispute regarding the application of these procedures or any action related to them, the dispute shall be referred to a panel of four persons consisting of a faculty or staff member designated by the creator of the work, a member of the College Council¹, the Dean or administrative supervisor of the creator of the work, and the Executive Vice President for Administrative and Fiscal Services or designee (Chair of the Panel) ("IP Review Panel"). This panel shall make a decision in writing that resolves the dispute and recommends the proper application of the policy to the particular situation. The decision of the IP Review Panel may be appealed within 10 days by any party to the President (or designee) who shall make a final decision on the matter in dispute; if not appealed in a timely manner, the decision will become final. This dispute process must be exhausted before any party may seek to enforce its respective rights by judicial process; however, this process shall not affect any party's rights to pursue a judicial remedy after the final decision of the President.

X. Sales of Works Owned by the College.

¹ As defined in the new governance system, effective May 2012

- A. **Right to Sell.** The College may sell intellectual property owned by the Board of Trustees upon such terms and conditions as the Board of Trustees may deem appropriate. Such intellectual property may be sold on or off-campus.
 - B. **Sale of Copies of Any Works That Can Be Duplicated.** Local sales of copies of works are authorized to be made by the Director of Procurement upon appropriate payment to a campus cashier. The cashier shall provide the purchaser with a copy of the paid sales slip marked for the Director of Procurement. The purchaser exchanges the slip for the number of copies included in the transaction. The cashier deposits funds received for such works in the appropriate special revenue account. Mail order requests with accompanying payment may be received and honored by the Director of Procurement, who will arrange with the cashier to deposit the proceeds received to the correct account.
 - C. **Sale of Works owned by the Board of Trustees That Cannot Be Duplicated.** Arrangements may be made for the sale of works owned by the Board of Trustees that cannot be duplicated (generally, graphic and artistic works). Such sale should be coordinated with the appropriate provost or vice-president, the Director of Procurement and others as appropriate. Arrangements so made would provide for the security of the works and for receipt of funds in accordance with College policies and procedures.
- XI. Federal Implications.
- Except as otherwise provided in the conditions of a Federal award, when publications, films, or similar works are developed from work supported in whole or in part by Federal funds, the author is free to arrange for intellectual property protection without Federal approval. Any such claim for ownership of the work shall, however, be subject to a royalty-free, nonexclusive, and irrevocable license to the Federal Government to reproduce them, translate them, publish them, use and dispose of them, and to authorize others to do so.

Administrative Approval: October 15, 2001; November 5, 2012; April 19, 2019.

Chapter: Fiscal and Administrative Affairs

Modification No. 002

Subject: **Gifts Acceptable to Montgomery College**

- I. Gifts are voluntary conveyances of money and property, or the furnishing of services, made gratuitously and not upon any consideration.
- II. Gifts may be accepted by the College for programs or activities approved either generally or specifically by the Board of Trustees. Gifts to the College shall be considered as property of the Board of Trustees of Montgomery Community College. The Board has authorized the receipt, and disposition under the authority of the College, of such gifts through the President, except gifts of land and buildings which should be received by formal action of the Board and should be properly deeded to the Board of Trustees of Montgomery Community College.
- III. The President is authorized to establish procedures necessary to implement this policy.

Board Approval: July 20, 1970; December 14, 2015.

Chapter: Fiscal and Administrative Affairs

Modification No. 005

Subject: **Gifts Acceptable to Montgomery College**

- I. The Montgomery College Foundation, Inc. has been designated by the College as a receiving agency for all cash and non-cash gifts donated to the institution. All gifts shall be received through the Montgomery College Foundation, Inc. with documentary evidence of all such contributions filed with the Director of Finance.
- II. The Gift Acceptance Policy Manual
 - A. The Montgomery College Foundation Inc. maintains an up-to-date manual detailing acceptable gifts and the guidelines for making each type of gift.
 - B. The current manual shall be readily available and posted with other Montgomery College Foundation Inc. documentation.
 - C. Montgomery College Foundation Inc. is responsible for the regular review of the manual and for maintaining a record of review dates.
 - D. Montgomery College Foundation Inc. is responsible for notifying the Senior Vice President for Advancement and Community Engagement of any modifications to the manual.
- III. Non-cash gifts of personal property made directly to departments of the College must be vetted by Montgomery College Foundation Inc. and the President, or their designee, and will only be approved in unusual circumstances.

Administrative Approval: February 24, 1976; May 20, 1983; June 28, 1983; February 9, 2016; November 6, 2024.

Chapter: Fiscal and Administrative Affairs

Modification No. 004

Subject: **Inspection of Public Records**

- I. The Board of Trustees recognizes that all persons are entitled to access to information through existing documents regarding the affairs of the College and the official acts of those individuals who act as its trustees and employees.
- II. It is the policy of the Board of Trustees to permit public records to be available for inspection by any person at reasonable times in accordance with the provisions of the Maryland Public Information Act, Title 4 of the State General Provisions Article of the Annotated Code of Maryland.
- III. The President is authorized to establish procedures to implement this policy.

Board Approval: November 19, 1984; May 16, 2005; June 18, 2012; May 15, 2017.

Chapter: Fiscal and Administrative Affairs

Modification No. 003

Subject: **Inspection of Public Records**

- I. In order to comply with Board policy and the Maryland Public Information Act, Montgomery College follows the following procedures for the processing of requests for the inspection or copying of public records.
- II. Definitions
 - A. "Act" means the Public Information Act, General Provisions Article Sections 4-101 to 4-601, Annotated Code of Maryland.
 - B. "Applicant" means any person that requests to inspect a public record.
 - C. "Copy" means any form of reproduction using a photocopying machine or other reproduction technology, including a paper copy, an electronic copy, a printout or an image.
 - D. "Custodian" means any authorized person employed by the College having physical custody and control of public records or the official custodian.
 - E. "Indigent" means an individual's family household income is less than 50% of the median family income for the State of Maryland as reported in the Federal Register.
 - F. "Metadata" means information, generally not visible when an electronic document is printed, describing the history, tracking, or management of the electronic document, including information about data in the electronic document that describes how, when, and by whom the data is collected, created, accessed, or modified and how the data is formatted.
 - G. "Official Custodian" means the person who is responsible for the maintenance, care and keeping of the public records of the College whether or not that person has physical custody and control of the public record. Unless otherwise specified, the President of the College is the official custodian of the College's records.
 - H. "Person in interest" means and includes the person who is the subject of a record or any representative designated by said person, except that if the subject of the record is under legal disability, the term "person in interest" shall mean and include the parent or duly appointed legal representative.
 - I. "Public record" means the original or any copy of any documentary material made or received by the College in connection with the transaction of public business and is any form including a card, a computerized record, correspondence, a drawing, film or microfilm, a form, a map, a photograph or photostat, a recording or a tape. "Public record" includes a document that lists the salaries of all employees of the College.
 - K. "Reasonable Fee" means a fee bearing a reasonable relationship to recovery of actual costs incurred by the College.

- L. "Sociological Information" shall include the following information:
1. Records about an individual's personal history, family, race, national origin, creed, color, ethnicity, ancestry, religion, sex, pregnancy, sexual orientation, marital status, gender identity or expression, veteran status, genetic information, or physical or mental ability;
 2. Date of birth and age;
 3. Family history, identity of relatives, dependents, emergency contacts or representatives;
 4. Student education records of a deceased student;
 5. Scholarship and financial aid records of individuals or their families;
 6. Credit card and other banking information;
 7. Medical or psychiatric status, condition or history;
 8. Military status or service history;
 9. Social security number;
 10. Alien registration number;
 11. Taxpayer identification number;
 12. Driver's license number;
 13. Background check information;
 14. Applicant information for admission, scholarships, employment or award, including those of applicants who were either not selected/admitted or chose not to matriculate;
 15. Information regarding employment status, including but not limited to records related to an application for employment, appointment, job evaluation, seniority, promotion, demotion, transfer, layoff, termination, disciplinary records and records related to training or professional development;
 16. Transcript information obtained from a high school or other educational institution;
 17. Residency classification for tuition purposes;
 18. Immigration status, including alien registration, taxpayer identification, passport and visa numbers;
 19. Information regarding marital status, domestic partnership, dependents or relatives, including related employment benefits elections;
 20. Health insurance and other benefit information;
 21. Class or employment attendance information;
 22. Any information obtained through employee or student surveys;
 23. Personal addresses, personal phone numbers, personal electronic mail address and personal social media account information;
 24. Internet and other electronic network activity information, including browser history, search history, wireless network location data and information regarding an individual's interaction with an internet website or application;
 25. Residency classification for tuition purposes;
 26. Donation and donor information, such as gift agreements, communications, contact information for individuals who have made charitable donations of goods, services, money or anything else to the College; and
 27. Institutional identification number assigned to each applicant, student or employee (e.g .M#) and identification photograph.
- M. "Working Day" means each day except Saturdays, Sundays and any scheduled College holidays.

III. Applicability

The procedures which follow do not apply to:

- A. College employees' access to their own individual personnel files (see policy and procedures on personnel files).
- B. Access to student records (see policy and procedures on access to student records).
- C. Requests for the inspection of College records which are processed as an ongoing part of the effective administrative management of the College, such as authorized requests for data between College offices and third parties pursuant to written agreements, subpoenas and/or requests processed pursuant to applicable Federal, State or local laws or regulations.
- D. Requests for records which do not exist or for which the College would need to create to satisfy a request.
- E. Records that can accessed on the College website or other online sources. Any College employee may provide such records without employing these procedures.

IV. Who May Request

Any person may request to inspect or copy any public records in the custody and control of the College.

V. Contents of Request

A request to inspect public records shall contain the applicant's name, address and other contact information (phone number, e-mail address, etc.). Requests should sufficiently identify the records being sought and the specific dates or ranges of dates of the documents requested. Requests that are not ascertainable or identifiable with reasonable specificity may be subject to requests for clarification.

VI. Filing the Request

A request to inspect a public record in the custody and control of the College shall be addressed to the custodian of the record or if the custodian of the record is unknown to the applicant, the request may be addressed to the Office of General Counsel. Electronic requests may be sent to PublicInformationAct@montgomerycollege.edu. Requests made or submitted after 4:30 on a working day, on a weekend, or on a day the College is closed will not be considered received until the next working day.

VII. Time for Response

- A. Custodians and/or other College employees receiving requests for public records shall promptly notify the Office of General Counsel and provide a copy of the request. The Office of General Counsel will review the request with the custodian to coordinate the College's response.
- B. If the custodian determines, after appropriate consultation, to grant a request for

inspection, the requested public records shall be produced for inspection immediately or within a reasonable time period, not to exceed thirty days from the date of receipt of the request, if that period is needed to retrieve the public record and conduct any necessary review.

- C. If the custodian reasonably believes that it will take more than ten working days to produce the public record, the custodian shall indicate in writing or by electronic mail within ten working days after receipt of the request: (1) the amount of time the custodian believes it will take to produce the public record; (2) an estimate of the range of fees that may be charged to comply with the request for public records; and (3) the reason it will take more than ten working days to produce the records.
- D. If the custodian decides, after appropriate consultation, to deny a request for inspection, he/she shall deny the request within thirty days after the request and immediately notify the applicant and provide the applicant, at the time of the denial or within ten working days of denial, with a written statement that gives: (1) the reason for the denial; (2) the statute or regulation under which access is denied; (3) a brief description of the undisclosed records; and (4) notice of the remedies available for review of the denial.
- E. If a requested public record is not in the custody and control of the person to whom written application is made, the person shall notify the applicant of this fact within ten working days of receipt of the request, and, shall also notify the applicant of the name of custodian of the record and the location or possible location of the record, if known. If the requested public record is a College record to be found in another location at the College, the person receiving the initial request shall immediately refer the request to the correct office and so notify the applicant.
- F. Any of the time limits above may be extended with the consent of the applicant for an additional period of up to thirty days and/or for the period of time during which a dispute is pending before the Public Access Ombudsmen.

VIII. Notification of Persons Who May Be Affected by Disclosure.

Unless prohibited by law, the College may notify any person who could be adversely affected by disclosure of a record to the applicant that a request for inspection or copying of the record has been made. The College may consider the views of this person before deciding whether to disclose the record to the applicant.

IX. Electronic Records

- A. Except as provided in Sections C and D below, the College shall provide an applicant with a copy of the public record in a searchable and analyzable electronic format if:
 - 1. The public record is searchable and analyzable electronic format;
 - 2. The applicant requests a copy of the public record in a searchable and analyzable electronic format; and,
 - 3. The custodian is able to provide a copy of the public record, in whole or in part, in a searchable and analyzable electronic format that does not disclose information that is exempt from disclosure under the Act.

- B. The College shall provide a portion of the public record in a searchable and analyzable electronic format if:
 - 1. Requested by the applicant, and
 - 2. The custodian is able to do so by using the existing functions of the database or software program that contains the searchable and analyzable data.
- C. The College is not required to:
 - 1. Create or reconstruct a public record in an electronic format if the public record is not available in an electronic format; or
 - 2. Release an electronic record in a format that would jeopardize or compromise the security or integrity of the original record or of any proprietary software in which the record is maintained.
- D. The College may remove metadata from an electronic document before providing the electronic record to an applicant by using a software program or function, or by converting the electronic record into a different searchable and analyzable format.

X. Public Records Destroyed or Lost

If the public record requested has been destroyed or lost, the College shall promptly notify the applicant that the public record is not available and explain the reasons why the public record cannot be produced.

XI. Denials

The College may deny inspection or copies of information or records that are confidential by law or otherwise exempt from disclosure under the Maryland Public Information Act, including, but not limited to:

- A. Records that do not exist;
- B. Records where inspection would be contrary to State or federal law;
- C. Records subject to attorney-client privilege;
- D. Library records;
- E. Letters of reference;
- F. Personnel records;
- G. Retirement records;
- H. Investment contracts;
- I. Medical or psychological information;
- J. Sociological information;
- K. Home address or telephone number of an employee;
- L. Confidential commercial and financial information;
- M. Information about the finances of an individual;
- N. Interagency or intra-agency letters or memoranda;
- O. Examination information; and,
- P. Education records containing personal information relating to a student, former student or applicant requested for commercial purposes.

XII. Review

Where an applicant's request to inspect or copy a public record of the College is denied, the applicant may seek judicial review under Section 4-362 of the Act. Alternatively, an applicant may contact the Public Access Ombuds and, if the Ombuds is unable to resolve the matter, may subsequently seek a resolution from the Public Information Act Compliance Board for those matters within the Compliance Board's jurisdiction. See Sections 4-1A-01 et seq. and 4-1B-01 et seq.

XIII. Disclosure Against Public Interest

- A. If in the opinion of the custodian, disclosure of any public record which is otherwise required to be disclosed under the Act would do substantial injury to the public interest, the custodian shall immediately submit to the College's Office of General Counsel, through the appropriate senior vice president, a copy of the request as well as a statement of the grounds on which the custodian believes disclosure would do substantial injury to the public interest.
- B. The Office of General Counsel shall review the request with the appropriate senior vice president and/or President and shall either (1) direct the custodian to grant the request or (2) direct the custodian to temporarily deny the request. If the request is temporarily denied, the Office of General Counsel or designee shall, within ten days of the denial, apply to the Circuit Court of Maryland for Montgomery County for an order permitting the custodian to continue to deny or restrict such disclosure. Notice of the application filed with the Circuit Court shall be served on the applicant in the same manner provided for service of process by the Maryland Rules of Procedure.

XIV. Fees

The fee schedule related to requests to inspect and/or copy public records at the College is as follows.

A. Copies

- 1. The charge for each copy made by a standard printer or photocopying or scanning machine is 25 cents per page. The fee for each copy made otherwise shall be based on the actual cost of reproduction.
- 2. When a person requests that a copy of a record be certified, an additional cost of \$1.00 per page for College certification of a record being a true copy of the original shall be charged.
- 3. A charge will not be made where the total amount of the fee is \$10.00 or less.
- 4. Notwithstanding the above, if the fee for copies or certified copies of any public record of the College is specifically prescribed by a law other than the Act or by another College policy or procedure, the prescribed fee shall be charged.
- 5. If a custodian is unable to copy a public record within the College, the

custodian shall make arrangements for the prompt reproduction of the record at public or private facilities outside the college. The custodian shall either collect from the applicant a fee to cover the actual cost of reproduction or direct the applicant to pay the cost of reproduction directly to the facility making the copy.

6. Before copying a public record of the College, the custodian shall estimate the cost of reproduction and notify the applicant of the estimated cost. The custodian may demand prepayment of any estimated fee before reproducing the record.

B. Search and Preparation Fees

1. Except as provided below, the College may charge reasonable fees for time an official or employee of the College spends to search for requested public records, review requested public records for potential disclosure, and/or prepare public records for inspection and copying.
2. The fee for search and preparation time shall be determined by multiplying the employee's salary, prorated to an hourly basis, by the actual time attributable to the search for, review of, and preparation of public records for inspection and copying.
3. The College may not charge any search or preparation fee for the first two hours of employee time that is needed to respond to a request for information.

C. Mailing Costs

If the applicant requests that copies be mailed or delivered to the applicant, the College may charge the applicant for the cost of postage or delivery to the applicant.

D. Waiver or Reduction of Fee

If the applicant requests the College to waive or reduce any fee charged under these procedures, the custodian may request the Senior Vice President for Administrative and Fiscal Services to determine whether the requested waiver or reduction is in the public interest, or the applicant is indigent and files an affidavit verifying the facts that support a claim of indigency.

XV. Time of Inspection

An applicant may inspect any public record of the College that the applicant is entitled to inspect during the normal working hours of the College, unless the College and applicant mutually agree to an alternate date and time when the records will be made available for inspection.

XVI. Place of Inspection

The place of inspection shall be the place where the document is located unless the custodian determines that another place of inspection is more suitable and convenient after taking into account the applicant's expressed wish.

XVII. Withdrawal of Request

- A. An applicant may withdraw a request for public records at any time.
- B. A request for public records will be deemed withdrawn if the applicant does not respond within thirty days to a request for clarification or other request from the College.
- C. If fees are assessed in accordance with section XIV above, a request will be deemed withdrawn if the College does not receive payment within thirty days.

XVIII. Interpretation of Procedures

The Office of General Counsel is responsible for the interpretation of these procedures.

Administrative Approval: November 20, 1984. May 31, 2017; February 22, 2023.

Chapter: Fiscal and Administrative Affairs

Modification No. 002

Subject: **Research Misconduct**

- I. Montgomery College is dedicated to the development and advancement of new knowledge and practices designed to meet the diverse and changing educational, social, economic, and cultural needs of the community. It seeks to achieve this goal through a sound and responsible program of research and grants.
- II. The Board of Trustees is committed to the prevention of misconduct in the exercise of all research and grant activities within the College. For the purposes of this policy, research misconduct means fabrication, falsification, or plagiarism in proposing, performing, or reviewing research and grants, or in reporting research and grant results.
- III. It is the policy of the Board of Trustees to require all employees, students, volunteers, or contractors to abide by the research misconduct policy and to promptly report all allegations and incidents of research misconduct.
- IV. Education is a key element of this policy. The College will provide education and information, as appropriate, for students and employees engaged in research to enhance understanding and increase awareness of the College's Research Misconduct Policy.
- V. The President is authorized and directed to establish procedures and/or to implement this policy.

Board Approval: December 16, 2013; September 22, 2014

Chapter: Fiscal and Administrative Affairs

Modification No. 002

Subject: **Research Misconduct**

I. Research Misconduct Definitions

In accordance with the Office of Research Integrity of the US Department of Health and Human Services, research misconduct means fabrication, falsification, or plagiarism in proposing, performing, or reviewing research or grants, or in reporting research or grant results.

- A. Fabrication is making up data or results and recording or reporting them.
- B. Falsification is manipulating research materials, equipment, or processes, or changing or omitting data or results such that the research is not accurately represented in the research record.
- C. Plagiarism is the appropriation of another person's ideas, processes, results, or words without giving appropriate credit.
- D. Research misconduct does not include honest error or differences of opinion.

II. Scope and Applicability

- A. These procedures are intended to implement the Board Policy on Research Misconduct and carry out the College's responsibilities under appropriate federal and other granting institution regulations. These procedures apply to allegations of research misconduct involving:
 - 1. A person who, at the time of the alleged research misconduct, was employed by, was an agent of, or was affiliated by contract or agreement with the College; and
 - 2. Grant supported research, research training or activities related to that research or research training, such as the collection and dissemination of research information;
 - 3. Applications or proposals for grant funded research, research training or activities related to that research or training or
 - 4. Plagiarism of research records produced in the course of grant funded research, research training or activities related to that research or research training. This includes any research proposed, performed, reviewed, or reported, or any research record generated from that research, regardless of whether an application or proposal for funds resulted in a grant, contract, cooperative agreement, or other form of support.
- B. Intellectual property permission related to ownership of ideas, concepts, and protocols are covered by 68001 Intellectual Property.

- C. Instances of financial misconduct related to research or grant-funded activities are covered by 61008 Reporting Suspected Fiscal Irregularities or Fraud with Whistleblower Protection.

III. College Responsibilities

It is the responsibility of the College to prevent research misconduct. All College employees, students, volunteers, or contractors will report observed, suspected, or apparent research misconduct to the Director of Grants and Sponsored Programs or the General Counsel for resolution according to procedures identified in the Code of Federal Regulations [45 CFR 689](#) (for NSF) or [42 CFR Parts 50 and 93](#) (for the Department of Health and Human Services).

IV. Education and Reporting Requirements

- A. In order to implement federal research misconduct regulations, the Office of Grants and Sponsored Programs will implement the following procedures:
 - 1. Post federal research misconduct regulations and information on the websites of the Office of Grants and Sponsored Programs <http://cms.montgomerycollege.edu/edu/departments2.aspx?id=6035/> and the Office of Institutional Research <http://www.montgomerycollege.edu/Departments/inplrsh/>
 - 2. Communicate with and provide training to grant-funded Principal Investigators, Co-Principal Investigators, and Senior Personnel appropriate federal policies and Montgomery College procedures relating to research misconduct.
 - 3. Require grant-funded Principal Investigators and Co-Principal Investigators to certify during the proposal transmittal process that they:
 - a. Have read and understand federal research misconduct regulations.
 - b. Will not engage in fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results.
 - c. Will report any suspected incidents of research misconduct to the Director of Grants and Sponsored Programs or the General Counsel.
- B. The Office of Grants and Sponsored Programs will report incidents of research misconduct annually to the appropriate research or granting agency in accordance with their reporting requirements.

Administrative approval: January 17, 2014; August 11, 2014

Chapter: Fiscal and Administrative Affairs

Modification No. 002

Subject: **Use of Copyrighted Materials**

- I. In recognition of its mission to further teaching, learning and research and engage in public service, the College is committed to fostering an environment that provides for the fair use of copyrighted works to achieve these goals while remaining in compliance with applicable laws.
- II. Therefore, it is the policy of the Board of Trustees to comply with federal copyright law and all related law codified at 17 U.S.C. §101 et seq. Users of copyrighted works are accorded the rights and privileges pursuant to 17 U.S.C. §§107 (Fair Use), 108 (Reproduction by Libraries and Archives), 109 (First Sale Doctrine and Transfers), 110 (Teaching Exception) and other statutory exemptions and limitations to the exclusive rights granted to the owner of a copyright protected work. The intent of this policy is to not unduly restrict the use of works otherwise permitted under law.
- III. This policy shall apply to the use of copyrighted materials (in all formats, including digital) for teaching, learning, research, administrative, and other purposes by all students, employees, contractors, and other individuals who use any College owned or leased equipment and/or facilities and to students, employees, and other individuals who use off-campus non-College facilities and/or equipment in connection with College related activities or on behalf of the College. "Fair Use" shall not be abused. Students, employees and other individuals subject to this policy are expected to obtain permission from the copyright owners unless the intended use is clearly permitted under the doctrine of "fair use." The College does not condone copying/reproducing instead of purchasing copyrighted works where such copying/reproducing would constitute copyright infringement.
- IV. Students, employees and other individuals subject to this policy who use material originated by others shall not, as a matter of policy, when using such materials, infringe on those rights of the originator which are protected by copyright laws and shall secure permission to use or reproduce copyrighted works when such permission would be required under copyright law and/or pay royalties when such payment would be required.
- V. To achieve these ends, it is the policy of the College to inform and educate faculty, students, employees, contractors, and visitors regarding federal copyright law, the rights of copyright owners, the legal obligation of the College to comply with applicable law, and the rights of the College community to use copyrighted works.
- V. This policy is not intended to waive any rights, remedies, immunities or defenses available to the College in the event of an infringement or alleged infringement of the copyright law and such rights, remedies, immunities and defenses are specifically reserved.
- VI. The President is authorized to establish procedures to implement this policy.

Board Approval: May 15, 1989; December 12, 2016.

Chapter: Fiscal and Administrative Affairs

Modification No. 001Subject: **Use of Copyrighted Materials**

I. Introduction

The purpose of these procedures is to implement Board policy regarding compliance with federal copyright law and all related law codified at 17 U.S.C. §101 et seq., and provide guidance to the College community regarding the use of copyrighted materials (in all formats, including digital) for teaching, learning, research, administrative, and other purposes by all students, employees, and other individuals.

II. Definitions

- A. **Copyright:** Copyright protection subsists as original creative works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories: literary works; musical works, including any accompanying words; dramatic works, including any accompanying music; pantomimes and choreographic works; pictorial, graphic, and sculptural works; motion pictures and other audiovisual works; sound recordings; and, architectural works. In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.
- B. **DMCA:** The Digital Millennium Copyright Act became law on October 28, 1998 in an attempt to address copyright-related issues overlooked in the United States Copyright Act of 1976, including those related to the presentation of digitally stored and produced materials and presentations on the Internet. The DMCA has anti-circumvention and copyright management information provisions to assist copyright owners in protecting their digital content.
- C. **Duplication:** Reproducing or copying material by any means including, but not limited to, writing, typing, photocopying, scanning, facsimile, downloading, and video, DVD or audio recording.
- D. **Face-to-Face Teaching:** An educator engaged in an instructional activity. The activity must take place in a classroom, must be part of systematic instruction, and the class must be comprised of registered students and/or faculty and staff.
- E. **Fair Use:** The right to use copyrighted materials without consent of the copyright owner, usually for scholarship, teaching, research, or criticism. There are four factors to consider in determining whether a particular use is fair use. These four factors are: (a) purpose and character of the use, including whether it is for commercial use or for nonprofit educational purposes; (b) nature of the copyrighted work; (c) amount and substantiality of the portion used in relation to the copyright-protected work as a whole; and, (d) the effect of the use on the potential market for or value of the copyright-protected work.

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- F. **Multimedia:** A production involving more than one medium (i.e., a combination of text, pictures, sound, graphics, film-clips, etc.).
- G. **Open Access:** Open Access is the immediate, online, free availability of research outputs without the severe restrictions on use commonly imposed by publisher copyright agreements. (OASIS – Open Access Scholarly Information Sourcebook)
- H. **Public Domain:** Works not protected by copyright or works created by the federal government. Works published before 1923 are considered to be in the public domain.
- I. **Public Performance Rights:** 17 U.S.C. §101 of the copyright law states that a performance is public if it is in a public place or if it is in any place where "a substantial number of persons outside of a normal circle of a family and its acquaintances" is gathered. Thus, the factors to consider in determining whether a performance is public include whether the place is public and the size and composition of the audience. Some videos and DVD's include public performance rights as part of the purchase. 17 U.S.C. §110, states that performances that take place in the face-to-face teaching activities of a nonprofit educational institution are not an infringement of the copyright owner's right.
- J. **Publication:** "Publication" is the distribution of copies of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies to a group of persons for purposes of further distribution, public performance, or public display, constitutes publication. A public performance or display of a work does not of itself constitute publication.
- K. **TEACH Act:** The Technology, Education, and Copyright Harmonization (TEACH) Act is a distance education update of copyright law. The TEACH Act facilitates and enables the display of copyrighted materials for distance education by accredited, non-profit educational institutions. Its primary purpose is to balance needs of educators and distance learners with the rights of copyright owners. The TEACH Act is relevant only if the materials in question are protected under copyright law and does not apply to what is in the public domain, or not protected by copyright. The TEACH Act is potentially applicable to any "transmission" of copyrighted content to students, e.g., formal distance education classes or materials posted on a server. The TEACH Act is relevant only to transmissions. A "digital transmission" is a transmission in whole or in part in a digital or other non-analog format.
- III. Scope and Applicability

These procedures shall apply to the use of copyrighted materials by all students, employees, contractors, and other individuals who use any College owned or leased equipment and/or facilities and to students, employees, and other individuals who use off-campus non-College facilities and/or equipment in connection with College related activities or on behalf of the College. College users of copyrighted works are accorded the rights and privileges pursuant to 17 U.S.C. §§107 (Fair Use), 108 (Reproduction by Libraries and Archives), 109 (First Sale Doctrine and Transfers), 110 (Teaching Exception) and other statutory exemptions and limitations to the exclusive rights granted to the owner of a copyright protected work.

IV. Exemptions

There are certain circumstances under which it is permissible to exercise one of the exclusive rights of the copyright owner without first obtaining permission. Unless one of the following examples applies, permission must be granted prior to use.

A. Fair Use

1. Copyrighted materials may be used without the copyright owner's permission where such use or copying constitutes "fair use" under 17 U.S.C. §107 (Fair Use).
2. Determining whether a proposed use constitutes "fair use" involves applying a four-point test established by copyright law. The four points are:
 - a. The purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
 - b. The nature of the copyrighted work;
 - c. The amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
 - d. The effect of the use upon the potential market for or value of the copyrighted work.
3. Examples of Fair Use include:
 - a. Quotation of excerpts in a review or criticism for purposes of illustration or comment;
 - b. Quotation of short passages in a scholarly or technical work for illustration or clarification of the author's observations;
 - c. Reproduction of material for classroom use where the reproduction was unexpected and spontaneous—for example, where an article in the morning's paper is directly relevant to that day's class topic;
 - d. Use in a parody of short portions of the work itself; and
 - e. A summary of an address or article, which may include quotations of short passages of the copyrighted work.
4. The Libraries provides guides and other resources to assist faculty with this process. Any time there is any doubt about whether something meets the Fair Use criteria, please contact the Libraries for assistance.

B. Public Domain

The limitations and conditions set forth in these procedures do not apply to works in the public domain, such as:

1. Works for which the author is a government entity, including United States Government Documents.
2. Works on which copyright has expired, generally those published before 1923.

C. Licensed Works

1. Works for which the individual or Montgomery College obtains permission for a particular use.
2. License agreements govern the uses of these works and users should refer to the applicable license terms.

D. Open-Access Resources

1. Open access (OA) refers to online research outputs that are free of all restrictions on access (e.g., access fees) and free of many restrictions on use (e.g. certain copyright and license restrictions). Two degrees of open access can be distinguished: online access free of charge, and online access free of charge plus various additional usage rights. These additional usage rights are often granted through the use of various specific [Creative Commons](#) licenses.
2. Open Educational Resources (OERs) are teaching, learning, and research resources that reside in the public domain or have been released under an intellectual property license that permits their free use by others. Open educational resources can include full courses, course materials, modules, textbooks, streaming videos, tests, software, and any other tools, materials, or techniques used to support access to knowledge.

V. General Procedures

A. Copying and Duplication

1. Faculty, students, and employees may copy or duplicate copyrighted materials without express permission within the fair use guidelines (see Section IV, A, 2 above).
2. To duplicate materials where copying is not fair use, permission must be obtained from the copyright owner, and an individual must seek permission each time the material is used.
3. Faculty should consult MC Copies for developing course packs.

B. Course Reserves

1. Course Reserves are initiated by Faculty and the Libraries for the use of students. Course Reserves can be both in print and multimedia formats. Use of Course Reserves is covered by 17 U.S.C. §§ 107 & 108.
2. Faculty may place original format copyrighted materials on reserve in the Libraries. The use of library owned materials does not exclude the necessity of obtaining copyright permission. If the Libraries do not own an original, Faculty may place a duplication of a copyrighted work on reserve only once under Fair Use. Successive use of the photocopy requires the Libraries to obtain permission from the copyright holder.
3. The Libraries do not rent or lease or place rented material on reserve.

C. Interlibrary Loan

The [Montgomery College Library's' Interlibrary Loan \(ILL\)](#) office follows [CONTU \(Commission on New Technological Uses of Copyrighted Works\) guidelines](#).

D. College-Approved Learning Management System

1. Title 17 U.S. Code governs the rights attributed to owners of copyrighted work. Under certain circumstances, educational institutions may provide copies of copyrighted works to students. The copies may not be copied nor used for any other purpose besides private study, scholarship, or research. Users should not provide electronic copies of any materials provided on a course's site to unauthorized users. If a user fails to comply with Fair Use restrictions, he/she may be held liable for copyright infringement. No further transmission or electronic distribution is permitted.
2. The following are general guidelines that employees and students should always consider when posting material to the college's learning management system:
 - a. Only post materials for non-profit, educational use.
 - b. Always include the proper attributions and citations for all posted materials.
 - c. All users must use best efforts to retrieve permission from the copyright owners of any material posted.
 - d. Whenever possible, faculty should post a link to a website instead of posting a copy of the website's content. If linking to a website is not possible, faculty should consider adding the material to Course Reserves. Faculty should never post the entirety of a copyrighted work without the copyright owner's express permission (e.g., faculty should not upload an entire book). The chart provided in Appendix I provides guidance.
 - e. Access to materials on the college's learning management system must be limited to authorized users only for as much time

as may be required. Once the need for the materials is no longer necessary, access to any posted materials should be restricted.

E. Media (including all audio visual formats)

Title 17 U.S.C. protects producers and distributors of motion pictures, audio recordings, DVD's and videotapes. The fair use provision in 17 U.S.C. resulted in a consensus among producers, distributors, educators, and lawyers concerning the recording, retention, and use of television programs by nonprofit educational institutions. All MC employees, faculty, or students may not use college facilities or equipment to show media which they did not legally obtain.

1. Rented or Purchased Media

Title 17 U.S.C makes a distinction between face-to-face classroom use and public performance.

a. Face-to-Face Classroom Use

- 1) Employees and students may use media legally purchased or rented for instructional purposes in the classroom.
- 2) The Libraries may purchase media with educational use rights for use in the classroom if the subject matter covered in the media aligns with the scope of the Libraries' collection development policy. Media with such rights are purchased, not rented, with the Libraries retaining ownership.

b. Public Performance

- 1) If a film/media presentation is to be open to more than registered students, faculty, and staff, it falls under the rules for public performance and Public Performance Rights (PPR) must be obtained.
- 2) PPR information can be found by contacting distributors directly or when renting a film or video through a leasing company that provides PPR as part of the lease agreement. The Libraries do not purchase materials for PPR.
- 3) Students and student groups who wish to show media, should contact the Office of Student Affairs. Employees should contact their respective departments.

2. Recording of College Events - Permissions

- a. The College assumes permission to record presentations by registered students and employees if the recording is for classroom use only.

- b. Written permission by each presenter is required for presentations made by any other individual or group regardless of the recording's purpose. The MCTV Talent Release form is available on the [Montgomery College Television](#) webpage.
- c. If a presentation contains copyrighted material(s), permission to use the copyrighted material(s) in the recording must be obtained prior to recording by the presenter, or the group doing the recording will need to exclude the portions of the presentation with copyrighted information from any final recorded products. The Materials Release form, located on the [Montgomery College Television](#) webpage, must be completed by the presenter two business days in advance when the recording will be conducted by Montgomery College Television.
- d. Non-College entities who intend to record students, activities, events, etc. on College property must be approved in advance by the Vice President of Communications.

3. Performed Music/Use of Music

- a. Music involves a number of different licensing requirements and authorizations depending upon the use. Employees and students who wish to use published or copyrighted music should obtain permissions prior to performing, copying, or using any music for instruction, presentations, or any public performance.
- b. All Montgomery College employees and students should be aware that electronic sharing of copyrighted music files is an infringement of Copyright law and may result in disciplinary action under the appropriate College policy as well as legal penalties.

4. Off-Air Recordings

In most instances recording broadcast over channels normally received free (e.g., with a normal antenna) is not usable for educational purposes or public performances since it violates the rights of the copyright owner. Montgomery College adheres to the following guidelines for off-air recordings and videos recorded by an individual:

- a. Employees will not record programs in anticipation of a request.
- b. The Libraries will not add off-air recordings to their collection.

F. TEACH ACT

- 1. The TEACH Act allows for a limited number of articles to be posted electronically on a web site as long as each article is integral to the course. This means that each posted reading must be required reading, rather than suggested reading.

2. Montgomery College adheres with the TEACH Act and therefore requires all faculty teaching distance education courses or faculty who use the college's learning management system to supplement face-to-face instruction to comply with the following guidelines when proposing to digitize readings, images, text, graphics, etc., for a web site hosted by a college server and accessed by students registered in a course of study taught Montgomery College:
 - a. Post only individually created course syllabi, study sheets, sample exams, etc., on your department or course web site (i.e., CMS, Blackboard, or any open source courseware).
 - b. If using any works not self-authored, contact the Libraries for assistance in obtaining permission requests, including all applications for Distance Learning.
 - c. The Libraries' electronic Course Reserves service was created to relieve users of the responsibility of seeking permissions to digitize copyrighted readings or images, etc., for students to access remotely. In fact, many journals are already licensed for use by Montgomery College students and faculty via databases to which the Libraries subscribes. It is best practice to link directly to this material rather than provide copies.
 - d. Access to copyrighted materials must be limited to authorized users only for as much time as may be required. Once the need for the materials is no longer necessary, access to any posted materials should be restricted.
3. Examples of items that may need permission requests include:
 - a. Online articles from newspapers, journals, and other periodicals not licensed by Montgomery College Libraries.
 - b. Print copies AND online versions inaccessible through Montgomery College.
 - c. Any writings found online not accompanied by an explicit permission grant or Creative Commons license, (e.g., "Please copy freely for educational use.").
 - d. Copyrighted images scanned from books, journals, or other web sites.
 - e. Video and audio segments from videos taped by individuals, purchased by individuals, rented from a video store, or borrowed from Montgomery College Libraries.
4. Contact the Office of E-Learning, Innovation and Teaching Excellence (ELITE) or the Libraries for assistance.

VI. Violations and Sanctions

A. Digital Millennium Copyright Act (DMCA)

1. Pursuant to the DMCA, the College has a registered agent designated to receive notices of alleged infringement and to take certain actions in response to such notices.
2. All investigations of DMCA violations will be handled by the Information Technology Policy Administrator (ITPA), pursuant to College Policy and Procedure 66001-Acceptable Use of Information Technology.

B. General Violations

Any person, including but not limited to an employee, student, contractor, facility user, or visitor, who uses any College electronic resource or equipment or uses offsite electronic resources or equipment for College business in violation of this policy and procedure shall be subject to disciplinary action including termination (for employees), dismissal (for students), loss of privileges (for all persons), and/or referral to the appropriate authorities for prosecution to the fullest extent of the law.

VII. Education

Education is a key element of this procedure. The College will provide education and information, as appropriate, for students and employees to enhance understanding and increase awareness of the College's Copyright Policy and Procedures. Any mandatory education requirements will be announced and posted on the College's website. The President is authorized to provide institutional leadership and guidance for developing education programs to increase knowledge and share information and resources to prevent copyright violations. Some goals to be achieved through education are: (a) creating a heightened awareness of basic copyright law; (b) notifying individuals of conduct that is proscribed; (c) informing employees, students, and other members of the college community about the proper use of copyrighted materials; and (d) preventing issues related to copyright infringement.

Administrative Approval: December 13, 2016

Appendix I – Blackboard Posting Guidelines

Item	Permitted Use	Prohibited Use
Website (containing copyrighted material)	Link to the Website via Blackboard.	Copying and pasting the content of the website onto Blackboard.
Web Image	Must be educational in nature; posted for one semester.	Repeated use over multiple semesters.
Article from E-Reserves or Other Library Database	Direct link to the article.	Copying and pasting the content of the website onto Blackboard.
Complete Prose Work	Must be educational in nature and under 2,500 words.	Repeated use over multiple semesters; posting a work over 2,500 words.
Scanned Portion of a Prose Work	Must be educational in nature and only a portion of the work may be used.	Repeated use over multiple semesters or use of more than the allotted percentages.
Scanned Article from a Journal, Trade Publication, or Magazine	A single article for one semester.	Multiple articles from the same publication or repeated use over multiple semesters.

(Adapted from GWU Libraries, with edits)

Chapter: Facilities

Modification No. 001Subject: **Corporate Sponsorships**

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- I. The Board of Trustees recognizes that business and community sponsorships can benefit the College when conducted in a manner consistent with the College's mission and values. Additionally, sponsors gain significant value from the exposure and association with the College through a sponsorship relationship, requiring that the College be compensated appropriately.
 - II. To protect the reputation, assets, and image of the College, it is the policy of the Board of Trustees that any sponsorship must be a positive reflection on the College and comport well with the purpose and mission of Montgomery College. Out of brand usage of College assets is prohibited.
 - III. This policy restricts the advertising of, or sponsorship agreements involving, certain products and services, including but not limited to controlled substances and tobacco brands. These restrictions include print materials, digital media, and any temporary displays on College property. The College reserves the right to rescind a sponsorship agreement if that agreement damages the College's reputation or in the event of a change of circumstances with the sponsor (e.g., if the intent of the sponsorship cannot be fulfilled).
 - IV. The Office of Advancement and Community Engagement is responsible for overseeing the planning and execution of all College sponsorships and working collaboratively with other College units to provide a resource for sponsorship activities, managing the solicitation of sponsorships, maintaining an asset inventory, and pricing and valuation of College assets and benefits.
 - V. The President is authorized and directed to establish procedures necessary to implement this policy.

Board Approval: January 24, 2018

Chapter: Facilities

Modification No. 001Subject: **Corporate Sponsorships****I. General Statement of Responsibilities**

- A. The Office of Advancement and Community Engagement is authorized to solicit sponsorships on behalf of the College and establish any pricing or valuation of College assets or benefits associated with third-party sponsorships.
- B. The Senior Vice President of Advancement and Community Engagement is authorized to approve any sponsorship agreement.

II. Definitions

- A. **Acknowledgement** is a term used to signify the recognition of a sponsorship support. Typical acknowledgement may include logo placement and/or sponsor information in the materials associated with a College event or activity being supported by the sponsor.
- B. **Assets** is a term used to describe the tangible items, program, services, or activities owned by the College that provide a benefit to sponsors. These include, but are not limited to, marks, logos, signage, websites, materials related to activities supported by the sponsor, venues, media, events, programs, tickets, hospitality opportunities, and merchandise.
- C. **Benefits** are any item or service provided to a sponsor in return for the sponsorship of a College activity, event, or program. Examples may include, but are not limited to, acknowledgement, event tickets, food and beverages, merchandise, or access to College services (i.e., meeting rooms, job boards, etc.).
- D. **Gifts** are the voluntary provision of external support without any requirement of economic or other tangible benefit in return. Gifts may be made by individuals as well as by private organizations, and they may be designated for a specific purpose or left unrestricted by the donor. This includes underwriting gift support regarding events, radio, and television. Gifts are processed through the Montgomery College Foundation and, in rare cases, through the PIC MC Foundation.
- E. **In-Kind or Value In-Kind** is a product or service provided by a sponsor in lieu of cash as part of a sponsorship agreement.
- F. **Licensing** is a contractual agreement that allows the use of College marks, images, and words for approved applications in exchange for a royalty payment to the College.
- G. **Sponsorship** is a relationship with an entity where that entity provides money, goods and/or services to the College and in return, the entity receives acknowledgement of the sponsorship via television or radio broadcasts, signage, tickets, programs, or other print or digital materials. Sponsorships do not involve messages endorsing or comparing products or messages that relate to the

quality of products. Sponsorships differ from corporate gift support generated by the Montgomery College Foundation, which is generally provided without expectation of tangible benefit.

III. Sponsorship Limitations

- A. Potential sponsors may be evaluated on a range of criteria, which may include the company's ethic, environmental, and corporate social responsibility, its local, national, and global position, its brand reputation and values, its public perception of such, its historic performance upholding these standards, and its history with the College. The College reserves the right to select or reject sponsors based on their alignment with the College's mission and values.
- B. All sponsors and sponsorship agreements must follow existing college policies and procedures and comply with applicable external regulations.
- C. The Senior Vice President for Advancement and Community Engagement retains the right to dissolve sponsorship relationships if a sponsor does not meet College standards.
- D. A sponsorship agreement with the College does not imply affiliation or endorsement.
- E. Sponsorship is not permissible in College recruitment materials, course catalogs, and legal documents.
- F. Exclusivity in any category shall not be granted to sponsors by the College except with explicit written approval from the Senior Vice President for Advancement and Community Engagement.

IV. Specific Types of Sponsorships

A. Cash and In-kind

Cash or in-kind goods and services are permissible as benefits to be provided to the College by a sponsor.

B. Purchases of Goods and Services

Sponsorships involving the purchase of goods and services generally require a competitive RFP process. The Office of Procurement must be consulted when the purchase of goods and/or services is involved. Furthermore, all goods purchased bearing College marks must be purchased from an approved licensee.

C. Sales

Sales activity by sponsors on campus is regulated by College Policy and Procedure 75001-Use of Facilities.

D. Use of Campus Facilities

Sponsorships for events held at College facilities must follow the College Policy and Procedure 75001-Use of Facilities.

E. Sponsor Use of College Trademarks, Names, or Logos

In limited circumstances, a sponsor may be granted permission to use College trademarks ("marks"), names, or logos with the understanding that use must be consistent with College policies for usage of such assets. Sponsorship itself does not automatically grant the sponsor the right to use these College assets. The College reserves the right to refuse permission of such assets if usage is deemed out of brand.

F. Signage

All signage and signage placement must be approved in advance by the Office of Advancement and Community Engagement in consultation with the Senior Vice President for Administrative and Fiscal Affairs and the appropriate director of facilities, and must be appropriate to the College environment. Where appropriate, approval by Intercollegiate Athletics or other College campus, school, college, department, organization, or unit may be required. No permanent sponsor signage may be placed in any College facilities or on College grounds.

V. Sponsorship Designations

- A. College sponsorship arrangements managed through the Office of Advancement and Community Engagement will be classified under various designated levels. Only the Office of Advancement and Community Engagement can grant sponsorship designations. Additional designations may be created and are subject to review and approval by the Senior Vice President for Advancement and Community Engagement.
- B. College departments and organizations are encouraged to contact the Office of Advancement and Community Engagement regarding available sponsorship opportunities.

Administrative Approval: February 13, 2018