1. Purpose
To ensure compliance with generally accepted accounting principles.

2. Related Policy/Authority
Policy 1015

3. Faculty/Staff Responsibilities
Vice President of Administration/CFO is responsible to ensure that an overall structure of sound internal controls is implemented, GAAP is followed in all accounting, and that all external regulations and requirements for routine business transactions are addressed in the control and reporting structure. The VP of Administration/CFO is responsible to periodically review the structure and implementation of internal controls, and to regularly review all financial reports presented to the Ownership, the Board, the Debt Trustee, and any governmental agency or accrediting body. The Controller is responsible for the implementation and oversight of these procedures.

4. Definitions/Abbreviations
None

5. Procedural Steps
Revenue is recognized on a pro-rated basis upon each semester. There are two cycles of revenue per each student year designation.

Year 1 Student
- Fall Semester (July through December)
  - Tuition & Fees shall be recognized at a rate of 1/5 less applicable refund rate as designated in refund policy.
- Spring Semester (January through May)
  - Tuition & Fees shall be recognized at a rate of 1/5 less applicable refund rate as designated in refund policy.

Year 2 Student
- Fall Semester (June through December)
  - Tuition & Fees shall be recognized at a rate of 1/5 less applicable refund rate as designated in refund policy.
- Spring Semester (January through May)
Tuition & Fees shall be recognized at a rate of 1/5 less applicable refund rate as designated in refund policy.

**Year 3 Student**

- Fall Semester (July through December)
  - Tuition & Fees shall be recognized at a rate of 1/6 less applicable refund rate as designated in refund policy.
- Spring Semester (January through June)
  - Tuition & Fees shall be recognized at a rate of 1/6 less applicable refund rate as designated in refund policy.

**Year 4 Student**

- Fall Semester (July through December)
  - Tuition & Fees shall be recognized at a rate of 1/7 less applicable refund rate as designated in refund policy.
- Spring Semester (January through April)
  - Tuition & Fees shall be recognized at a rate of 1/4 less applicable refund rate as designated in refund policy.

**6. Reports/Charts/Forms/Attachments/Cross References**

| N/A |

**7. Maintenance**

Office of the Controller; updated whenever an external reporting requirement is added or changed.

**8. Signature**

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<th>8/28/19</th>
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<tbody>
<tr>
<td>Jennifer Taylor, VP Administration/CFO</td>
<td>Date</td>
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**9. Distribution List**

Internal/External

**10. Revision History**
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<th>Revision Date</th>
<th>Subsection #</th>
<th>Summary of Changes</th>
<th>New/Cancellation/Replacement Procedure? (if applicable)</th>
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