ASSOCIATED STUDENTS’ FINANCE

Associated Students’ funds are maintained in accordance with the following procedures:

I. Definition of Associated Students’ Funds

A. Associated Students’ funds consist of monies that are raised at each campus in the name of the college or students at each campus and should be used to benefit the student body.

B. The Board of Trustees is charged with the responsibility of supervising and auditing all funds raised by the Associated Students’ organizations when using the name of the college (Calif. Ed. Code, Section 76065).

II. Policies Relating to Use of Associated Students’ Funds

A. It is mandatory that purchases or expenses paid for by an Associated Students’ organization fund be used for the general welfare of the students.

B. Funds shall not be used for purchasing instructional supplies or for expenditures for capital outlay items that would normally be purchased by the board.

C. Special funds may be accepted as earmarked funds for designated purposes, but expenditures must be limited to the amount earmarked. Under no conditions shall student body funds be expended for any other purpose.

D. Expenditures of Associated Students’ organization or club funds shall be subject to the district's purchasing policy.

E. It is recognized that Associated Students’ activities should be as self-supporting as possible. Subsidies by the district should be made only to maintain a well-balanced program. The Chancellor is responsible for all funds raised by activities of the student body, in their origin and disbursement (Calif. Ed. Code, Section 76065).

III. General Rules

A. Associated Students’ Activities

Following are policies concerning the conduct of Associated Students’ financial activities. Should a case arise that is not covered by a policy in this policy, approval by the Chancellor is required in every case (Calif. Ed. Code, Section 76062).
1. **Faculty Sponsorship.** Faculty sponsorship of student activities is necessary. However, the assignment of faculty members to manage Associated Students’ activities in lieu of engaging in regular class work should be limited to activities that have clear educational value.

2. **Policies and Procedures.** The Chancellor or an appointed designee shall participate in the preparation, modification, and interpretation of policies, regulations, and procedures affecting Associated Students’ finances.

3. **Approved Associated Students’ Activities.** Subject to regulations regarding collection and expenditure of Associated Students’ funds, Associated Students’ activities may be operated. Before undertaking any activity, however, approval for these activities must be obtained from the Chancellor or an appointed designee.

4. **State Authorization.** Associated Students’ funds must be supervised and audited by the district (Calif. Ed. Code, Section 76065).

5. **Local Authorization.** To conform to the requirements of the aforementioned laws, the board has placed the responsibility for supervising studentbody funds upon the Chancellor or an appointed designee (Calif. Ed. Code, Section 76065).

6. **Audit of Associated Students’ Finances.** The Deputy Chancellor is authorized to order an audit of Associated Students’ finances. Should it be found that any procedure or specific form which has been agreed upon has not been followed; orders or instructions may be issued to correct the conditions. Such an audit, in each instance, shall determine the following factors:

   a. **Proper Accounting.** That the funds of the Associated Students’ organization have been properly accounted for, including verification insofar as it is practicable of cash receipts, disbursements, and balances.

   b. **Solvency.** That the Associated Students’ organization is solvent or in a satisfactory financial condition, with special reference to cash on hand and unpaid obligations.

   c. **Efficiency.** That efficient methods and procedures are used in accounting and controlling cash transactions. The Executive Vice Chancellor, Administrative and Business Services shall present recommendations for any changes in methods and procedures as are judged necessary to produce the desired efficiency.
B. Regulations for Associated Students’ Finances

1. **Supervision.** The supervision of the fiscal administration of all Associated Students’ activities shall be delegated to the Chancellor or an appointed designee.

2. **Accounts.** There shall be one general bank account for the Associated Students’ funds at each college. Separate accounts shall be kept by the Office of Business Services for the different activities of each college.

3. **Payment of Bills.** All Associated Students’ organization bills will be paid by the Office of Business Services using appropriate check disbursement procedures.

4. **Reimbursement for Expenditures.** No sponsor shall pay any bill for the district. Exceptions shall be made when transportation, incidental or other expenses are authorized by the Chancellor or an appointed designee as necessary when groups travel outside the district. In all such cases, however, an itemized statement of expenditures shall be required of the sponsor before being reimbursed by the district. Appropriate receipts shall accompany this itemized statement.

5. **Savings Account.** No savings account for investment shall be carried by any Associated Students’ organization or club or college official without the approval of the Chancellor or an appointed designee.

C. Use of Associated Students’ Funds

1. **Authorization for Expenditures.** All expenditures of Associated Students’ monies shall conform to the provisions in the California Education Code, Sections 76063 and 76064.

2. **Supplies and Equipment.** Associated Students’ funds shall be expended for supplies and equipment necessary for conducting authorized Associated Students’ activities, and for such other purposes approved by the Chancellor or an appointed designee.

3. **Gifts.** No Associated Students’ funds shall be used to purchase gifts of any kind other than awards for recognition of services to the college.
D. Incurring Obligations

As a general practice, contracts by Associated Students’ associations shall not extend beyond the current school year, except athletic contracts and insurance, printing, and other service contracts where a financial savings to the district could result.

E. Trust Accounts

1. Definition. Trust accounts are defined as money collected or raised by the following bodies:
   a. Limited Group. A limited group for the purpose and benefit of that group.
   b. Associated Students. The entire student body of a college for a specific purpose and turned over to the Chancellor as trustee. These funds should be represented at all times by cash in the bank.

2. Restrictions. Trust accounts shall not be overdrawn or loaned for any reason.

F. Associated Students’ Purchases

1. Purchase Order. A properly authorized purchase order must be issued for the purchase of equipment or supplies, except for purchases made from petty cash. All purchases must be approved by designated administrators according to the purchasing policy of the district.

2. Cash Discounts. The Associated Students’ organization should take advantage of all cash discounts allowed for prompt payment.

3. Approval for Obligations. No individual shall financially obligate the Associated Students’ organization of any college in any way without first having secured the proper authority to do so in writing. This authority will be established by action of the College Associated Student Government along with administrative approval.

References:
Education Code Sections 76063-76065