

FCMAT

FISCAL CRISIS & MANAGEMENT
ASSISTANCE TEAM

Associated Student Body Workshop for Community Colleges

With Additional Review of Gift of Public Funds



The ASB Accounting Manual, Fraud Prevention Guide and Desk Reference

- The manual can be accessed and downloaded for free from FCMAT's website at www.FCMAT.org
- FCMAT plans to update the manual in the summer of 2021 to include additional useful information and best practices
- The rumor is true, we are splitting the manual for colleges

How Do We Get Answers?

- What fundraisers are allowed?
 - Can the associated students (AS), AKA student union, AKA associated student body (ASB) purchase this or that?
 - Where can we account for that?
 - Who is responsible?
 - When should we prepare that?
- Every community college and governing board is different.
- The vast majority of your ASB questions are resolved by what your governing board wants to allow or prohibit specific to your own community college.

College Board Policy and Regulations

College board policy and regulations govern everything, including ASB



AND



College board policy and regulations guide us to ensure an understanding of allowable fundraisers, sales, expenditures, purchases, transactions, etc.

Governing board policy is how you get to “YES”

Chapter 2 p 5 & Chapter 3 p 14-15



College Business Office Responsibilities and Board Policy

- The governing board has final authority over everything that occurs in the college, including ASB operations. (Education Code Section 76060)
- Because only a limited number of laws and regulations in the Education Code, Penal Code, California Constitution and California Code of Regulations identify parameters for ASB operations, a significant amount of local flexibility is needed.
 - This includes authority to decide whether ASB organizations will exist, and if so, how all ASB operations and activities will be supervised and what is allowable or prohibited.

Chapter 3 p 14-15

College Business Office Responsibilities and Board Policy (cont.)

- The business office must ensure that clear guidelines and processes are developed so ASB organizations operate efficiently and effectively for the benefit of students.
- **With help from the college business office, the governing board should approve comprehensive board policies and administrative regulations.**
- The college business office should develop an ASB manual, handbook, or even lists of allowable and/or prohibited purchases, transactions, fundraisers, activities, etc., for college faculty and stakeholders to follow.

College Business Office Responsibilities and Board Policy (cont.)

- Because most ASB operations relate directly to business management functions:
 - The college's chief business official should take the lead role in ensuring that the college has appropriate board policies and administrative regulations regarding the operation and management of the ASB's finances.
 - This includes identifying on an ongoing basis all activities, fundraisers, transactions, purchases, expenditures, etc., that are allowable or prohibited specific to your college.

College Business Office Responsibilities and Board Policy (cont.)

All ASB questions should be directed to the college business office.

- If a board policy does not address the question, the business office should develop procedures or guidelines to resolve the issue. If the business office does not know the answer, or the issue cannot be answered in the FCMAT or college's ASB manuals, then:
 - Research the FCMAT knowledge base (It is comprehensive and answers over 95% of questions).
 - If not answered by knowledge base, submit a question to the FCMAT help desk.

College Board Policy and Regulations

- Should cover:
 - Establishment of the student body organization
 - Supervision of the organization's activities and direct approvals by a board designee
 - Operation and management of the organization's finances
- It is important ASBs are aware of college board policy because it applies to the ASB
 - The college policies and the ASB's policies should be consistent.
 - For example, there should not be two sets of policies for not-sufficient funds (NSF) checks, travel, etc.

Board policies and regulations are additional laws that ASBs must follow.

College Board Policy and Regulations (cont.)

If the college's governing board has determined that a particular type of expenditure serves a public purpose, courts will usually defer to that **IF** the governing board has adopted board policy stating the specific items that are allowable (e.g., donations).

The college business office is responsible for establishing and monitoring how ASB funds are handled and spent, and how the ASB is operated. The college business office must establish procedures and internal controls that align with board policy and conduct proper oversight and follow-up to ensure that issues do not occur.

Chapter 3 p 14 & Chapter 2 p 5

College Board Policy and Regulations (cont.)

- Students are raising funds for their own benefit and are able to make decisions about the funds (with coapproval from a board-designated administrator and an advisor); however, when there is a conflict, **governing board policies and regulations are the final guide because ultimately the funds are under the governing board's authority.**

College Board Policy and Regulations (cont.)

- A comprehensive and current ASB manual for student organizations is critical to ensure sound practices, fiscal and otherwise, are followed.
 - Referencing the ASB manual in board policy is recommended to ensure faculty understand how important it is to follow the manual's guidance.
- The FCMAT *ASB Accounting Manual, Fraud Prevention Guide and Desk Reference* may also be adopted to supplement a college's board policies or procedures regarding student and auxiliary organizations.
 - Include language to provide clarity and the flexibility to follow the college's policies and procedures when they differ from those in the FCMAT manual.

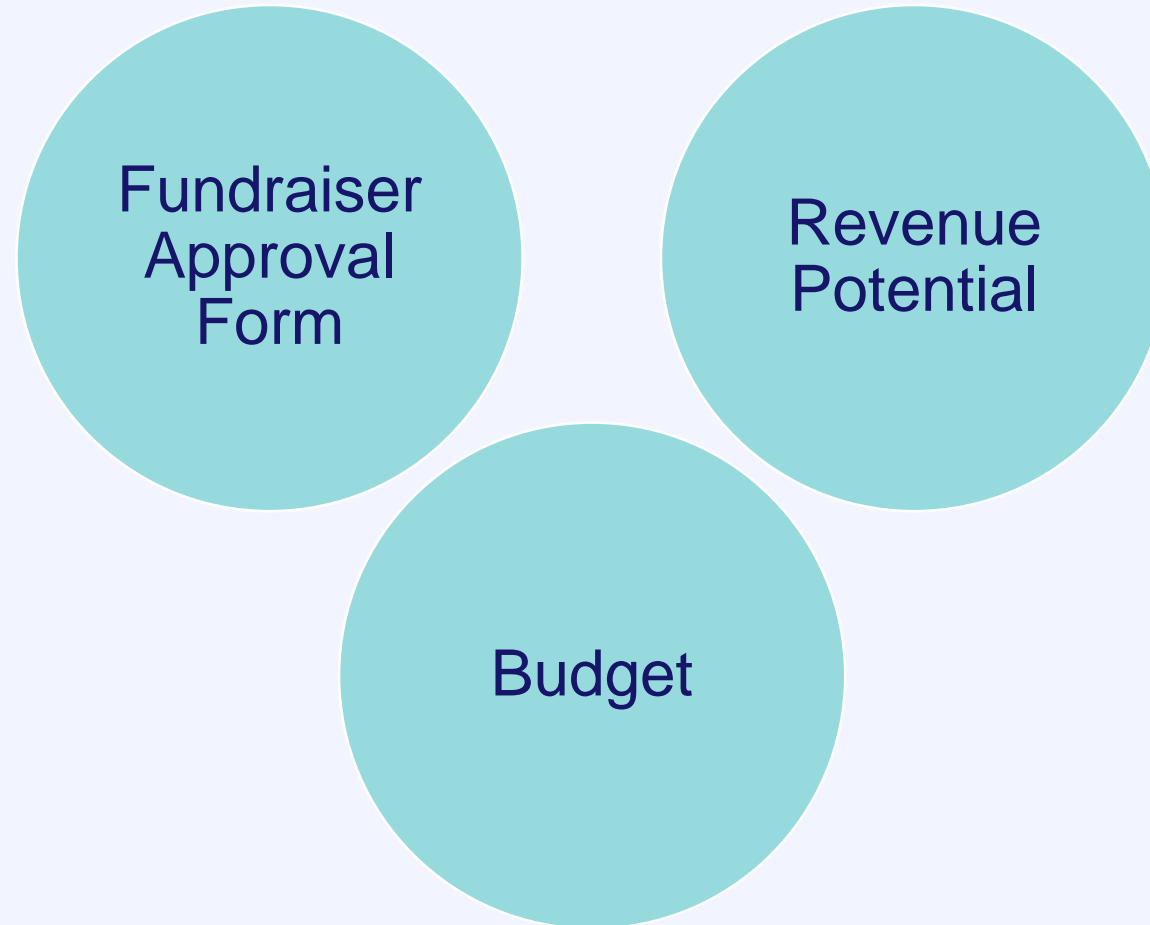
Example ASB Manual Board Policy

- Sample board policy language to adopt the FCMAT Manual:
 - The governing board adopts on an ongoing basis the most recent Fiscal Crisis and Management Assistance Team (FCMAT) *Associated Student Body Accounting Manual, Fraud Prevention Guide and Desk Reference* as the _____ College's *ASB Manual* as part of college ASB board policy.
 - In the event of any conflict between the most recent FCMAT *Associated Student Body Accounting Manual, Fraud Prevention Guide and Desk Reference* and the _____ College's ASB policies or procedures, the policies and procedures established in the _____ College ASB Manual will prevail.



ASB Essentials - Overview

(We Will Discuss this in More Detail Later)



ASB Essentials - Overview (cont.)

Purchase Orders are Your Friend

- Yes, purchase orders are required by Education Code.
 - Education Code requires three approval signatures prior to funds being spent.
- Even if the vendor does not take purchase orders, you must prepare one as evidence of preapproval.
 - Think of the purchase order (PO) as the Preapproval Form.
- Prepare a purchase order for employee reimbursements, too.
 - It will save you a lot of trouble later.

Community Colleges are Organized

ASB's

- Activities are organized around student clubs and a student council
- Students are the primary authority when making decisions:
 - Formal meetings
 - Develop budgets
 - Plan fundraisers
 - Decide how funds will be spent
 - Approve payments
- Advisors:
 - Provide assistance, advice, and coapprove

Chapter 2 p 7-8 & Chapter 4 p 21-24



Clubs

- All clubs need to be approved, even activity clubs, for liability reasons.
 - Each club must have a certificated club advisor assigned to it, and only that certificated club advisor can coapprove expenditures and activities.
- A formal application should be completed that includes:
 - Title, powers and duties of the officers and the manner of their election
 - Scope of proposed activities
 - Name of organization
 - Endorsed by a certificated club advisor
- New clubs must be approved by:
 - Student council
 - Board Designee – e.g., vice chancellor

Chapter 4 p 24

What it means to be part of ASB



It's All About Students

- Fundraising
- Participating
- Doing
- Learning
- Experiencing
- Making decisions

ASB exists because of students, and students must be involved in every step of the way.

Chapter 4 p 22



Student Club and Trust Accounts

- What is a CLUB (trust account):
 - Composed of currently enrolled students at that specific college
 - Students form a club to fulfill a specific purpose (which will be stated in the constitution)
 - Advisor must be a certificated employee of the community college
 - Students **MUST** play a major role
 - Students are the primary authority when making decisions
 - There must be:
 - Approved constitution
 - Elected officers
 - Approved budget
 - Regular formal meetings
 - Minutes of meetings
 - Clubs report to the student council
 - All expenditures approved in advance

Chapter 4 p 24



Student Club and Trust Accounts (cont.)

- Funds held in trust by student council (trust funds)
 - ASB constitution or bylaws should state what happens to funds of inactive clubs.
 - If constitution or bylaws silent, would revert to general ASB account
 - e.g., student council or leadership class
 - Define what an inactive club is (e.g., 18 months)
 - Length of time is not specified in Education Code. Best to specify in constitution or bylaws.
 - Try to spend money for same reason it was raised.

Chapter 4 p 24, Sample Constitution/Bylaws at Chapter 24-Appendices p 255-273

How Do Nonstudent Groups Fit In?

- Nonstudent group funds **cannot** be commingled with ASB funds.
 - Nonstudent groups cannot deposit funds into the ASB accounts unless they are being donated to the ASB.
 - Once the funds are donated to ASB, only the student organizations control how the funds will be used (following the college's policies and ASB guidelines).
 - Nonstudent groups and student groups must keep their funds and activities separate.

The FCMAT ASB manual gives detailed information about nonstudent groups in Chapter 21.

Education Code Section 72673 – Auxiliary Organizations

- Applies when a student body organization is formed differently than described in the above Education Code provisions related to community college ASBs; the organization is instead called an auxiliary organization, with different rules and guidelines.
 - Community college auxiliary organizations must follow the rules and regulations established by the community college's governing board, as there is an official relationship with the college.
 - Governing board approval is needed to use the college's name in the auxiliary organization's title.

Education Code Section 72673 – Auxiliary Organizations (cont.)

- An auxiliary organization is separate from the college.
 - Unlike a student organization
- Yet a connection exists because the directors, governors and/or trustees of the organization are appointed or nominated by the college governing board, a college district official or a student body or faculty member.

Education Code Section 72673 – Auxiliary Organizations (cont.)

An auxiliary organization can include the following types of groups:

- Any entity that operates a commercial service for the benefit of a community college or district on a campus or other property of the community college district.
- Any entity whose purpose is to promote or assist a community college or district, or to receive gifts, property and funds to be used for the benefit of the community college or district or any person or organization having an official relationship therewith.
- Any entity that is designated as an auxiliary organization by the district's governing board.



ASB Accounts - Limitations

- ASB accounts should not be used as pass-through or clearing accounts.
- Only money that should be deposited in ASB:
 - Actual ASB funds.
 - Will be used for appropriate ASB purposes.
- When non-ASB activities are commingled with ASB, problems begin.
 - Commingled funds should never be allowed; may appear to be fraudulent or negligent.
 - Avoid even the APPEARANCE of fraud.



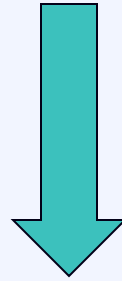
What to Do with Funds that Don't Belong in ASB

- Non-ASB accounts, including but not limited to pass-through or clearing accounts, should be transferred into a college approved account, e.g., donation accounts.
- Donations from parents, students or community members or groups should be deposited in a college business office-approved account, not accounted for through or in the ASB, unless truly supplementing ASB clubs or fundraising.
- If the activities, monies collected, etc., (including fines, test fees, etc.) are not part of the ASB's fundraising and other truly ASB activities, they do not belong in the ASB at all.
 - Move it out – only ASB trust funds belong in ASB.

Chapter 4 p 24

Roles and Responsibilities

Vice president of student services - ASB advisors - ASB bookkeeper



Enforce and communicate all laws, policies and procedures.

Chapter 2 p 6-10, & Checklists Chapter 5 p 41-49

Vice President of Student Services / Dean of Student Services:

- Works with college business office
- Approves fundraising events
- Approves expenditures along with students and ASB advisor
- Appoints the advisors for ASB and the clubs
- Supervises ASB bookkeeper and ASB advisors/student activities coordinator
- **Enforces and communicates all laws, policies and procedures**
- Ensures that a student council is established and approves club constitutions
- Works with each student organization to develop methods for securing cash collected after hours and on nonschool days
- Ensures proper cash control procedures established and followed
- Ensures minutes are kept of all ASB and club meetings
- Receives and reviews bank statements MONTHLY
- Reviews budgets and financial reports MONTHLY
- **Chapter 2 p 6-7 & Checklist at Chapter 5 p 41-49**

ASB Advisor(s) / Student Activities Coordinator:

- Critical link between VP/dean of student services – bookkeeper – students
 - The VP or dean of student services designee for day-to-day ASB functions
- Must be a CERTIFICATED employee of the community college per Education Code
- Needs to supervise EACH club and student council/leadership class, including their activities
- Works directly with students on a day-to-day basis
- Ensures that adequate internal controls are in place
- Assists the students in preparing the annual budget and revenue projection estimates for fundraisers
- Approves expenditures along with students and board designee
- Ensures that the clubs are meeting and keeping minutes
- Reviews with the students all budgets, financial reports and transactions
- **Ensures all laws, policies and procedures are followed**

Chapter 2 p 8-9 & Checklist at Chapter 5 p 41-49

VP/Dean of Student Services & Advisor/Coordinator Role – Denial of Activity

- ASB administrators and advisors should understand that the will of the students should come first unless there is a specific conflict with laws or regulations, governing board policy, student safety, college culture, or other specific reason to deny an event, expenditure or other student council or club decision.
- A student council or club decision should not be denied because the administrator or ASB advisor dislikes or disagrees with the decision.
 - A valid reason is required.

Chapter 4 p 22

ASB Bookkeeper:

- The ASB bookkeeper safeguards money held at the college site –
 - Ensures funds get to the ASB bank account in a timely manner
 - Responsible for receipts received from ASB advisor until deposited
 - Prepares proper financial records of financial transactions in accordance with established procedures and policies
 - Club reports, check registers, deposit registers, etc.
 - Provides materials to ASB advisors for fundraisers, and keeps stock on hand (change box, receipt books, tickets, etc.)
 - Processes purchase orders, payments, and invoices
 - Prepares bank reconciliations monthly
 - **Upholds ASB laws, procedures and policies**

All checklists should be completed and reviewed by the VP/dean of student services, advisor/coordinator/activities director, bookkeeper, and college office.

Chapter 2 p 9-10 & Checklist at Chapter 5 p 41-49 and 53-56, Chapter 24, Appendix p 367-375

Student Council:

- Represents the students
- Mandatory for college ASB
- Primary authority of how student-raised funds will be spent
 - Approves expenditures along with ASB advisor and board designee
- Develops and approves annual budget for student council and leadership class

Student Council (cont.)

- Approves expenditures, in addition to approval from a board designee and the ASB advisor.
- In some colleges, the student council will approve expenditures from all student funds before the spending occurs; in others, the general student council approves after the fact; and in yet others, it does not approve any expenditures (for student clubs) but is informed of them.
- The student council must approve its own expenditures before spending occurs.

Chapter 2 p 10-11

Student Council (cont.)

- Authorizes ALL:
 - Student clubs
 - Student club budgets
- Reviews ALL:
 - Student club fundraising events
 - Student fund purchases/expenditures
 - Student club financial reports
 - Student club reconciliations
 - Anything else it would like to review

Budgets

- Every club must have a budget
- Budget is an ESTIMATE
 - If the budget goes off track during the year, REVISE it.
- Budget = Usually one year
 - **Prepare NEXT YEAR'S budget early**, don't wait.
 - It is needed to conduct business
 - Next year's budget can be as simple as using current year actual revenue and expenditures
 - Remember, it is an estimate
- Students need to participate in the budget process
- Require that a budget is in place and approved BEFORE the club enters into any commitments (i.e., spends any money).
 - **No Budget = No Spending!**

Chapter 6 p 58-60

Budgets (cont.)

Budget CARRYOVER

- Possible; HOWEVER – Students should try to spend what they raise.
- But, if needed:
 - Seed money for next year = OK
 - Reasonable carryover balances = OK
 - Preapproved multiyear projects = OK
- College policy should set the carryover amount or percentage.
- There should be a form to get approval to carry over funds from the prior year.

What Happens When Students Graduate, Transfer, or Leave?

- ASB funds can only be spent on CURRENT students
- If graduating, transferring, or leaving, students should:
 - Spend remaining funds prior to graduating, transferring, or leaving
 - Gift the funds to another ASB club in the college
 - Gift the funds to the general ASB
- Balances cannot follow the students graduating, transferring, or leaving
 - Funds stay at same college where they were raised
- If students have already graduated and did not make a decision on how to spend remaining funds:
 - Funds would revert to general ASB
 - Unless board policy or club constitution/bylaws says otherwise

Chapter 6 p 61-62

Fundraising Essentials

- Obtain college governing board approval BEFORE the fundraiser occurs. This is required by Education Code.
 - Best Practice: ASB fundraising events should be approved at the beginning of year, by the board or whomever the board delegates to do so (e.g. vice president or dean of student services), or the governing board should approve policies and administrative regulations that delineate allowable and unallowable fundraising events
- Ensure that non-ASB/outside organizations coordinate the timing of their fundraisers with ASB fundraisers so they don't compete

Chapter 8 p 90-91, 96, 99-100

Revenue Potential

- Complete a Revenue Potential Form for each fundraiser
 - An internal control requirement, and a finding in the college's independent audits if not in existence
 - The Revenue Potential is NOT the same as a fundraiser approval, unless both activities/actions are on the same form
- Revenue Potentials will include an ESTIMATE, ACTUAL RESULTS and the DIFFERENCE
- Revenue Potential Form can serve as the document to:
 - Ensure that the administrator is informed and approves of all fundraising activity at the college
 - Notify the bookkeeper of an upcoming deposit
 - PLAN!

Chapter 8 p 101-102, **103-104, 106-107**

Fundraising for Specific Students

Parameters for Fundraising Events:

- Students should participate and make contributions to fundraising events voluntarily.
- They cannot be excluded from an activity funded by ASB funds because they did not participate in fundraising.
- **Fundraising proceeds cannot be attributed to specific students based on what they raised.**
 - The funds are raised to benefit the entire club or student group, not individual students.

Fundraising Parameters - Don't Forget....

- An ASB fundraiser must be preapproved and consist of students raising money to purchase “extras” for students’ educational experience.
- Charging students a fee is not a fundraiser.
- It is not legal for faculty to raise funds (e.g., to increase specific classroom budgets) using the college’s tax identification (ID) number.
 - ASB can use the college’s tax ID number; not specific faculty.
 - If faculty conducts fundraising and deposits into college or ASB account, it’s a donation from the faculty member.

Chapter 14 p 179

Fundraising Parameters - Refunds

When funds are received as a donation, nonprofit/IRS guidelines apply.

- Sometimes, a request for a refund of a donation is received.
 - To help with this issue, add language in board policy that money received by ASB via ASB fundraising (for ASB activities and donations) is nonrefundable. OR, approve board policy addressing your college's refund parameters/conditions, etc.
- Consider adding some wording to your fundraising announcements, such as:
ASB fundraising donations are nonrefundable. If the fundraising activity does not raise sufficient funds for the activity to occur, the funds may be used for other ASB-approved activities.



Shared Fundraisers

- Shared fundraising activities between clubs is allowable when properly approved; however, a shared fundraising form should be developed.
- The form should spell out the conditions, revenue sharing arrangements, participation rules, and all other applicable aspects of the shared/combined fundraiser.
- Each club involved with the shared fundraiser should separately approve the fundraiser, agree to the fundraiser conditions, ensure the fundraising form is signed, and ensure acceptance and approval is documented in each club's minutes.

Chapter 8 p 89, 96

Unallowable Fundraisers and Fees

- Raffles, bingo, and other games of chance
 - This is in Penal Code.
- Activities that pose liability, safety or risk concerns
 - i.e., Will the college's liability policy cover injuries at the event?
- Rental of college property (equipment or facilities to outside groups)
 - Remember, the college owns the property!
- Fees not authorized by the Education Code
 - If not allowed by Education Code, don't charge it!

Chapter 8 p 94-95 & Chapter 9 p 112-119 (fees)

Raffles and Games of Chance

Raffles include:

- Money paid for a ticket or form of chance (ticket)
- A ticket offered with some other offering such as a shirt
- A ticket offered with a donation
- A ticket given away without fee or payment

Even a ticket given away or without a fee or payment is still a chance drawing as a raffle. Everyone must receive a ticket, which is impossible, as those who do not attend the event may raise the claim that they were denied a chance to win even though they were not present and never participated.

Chapter 8 p 94-95

Silent Auctions

- Not a game of chance – Bidders do not pay for a chance to win the item.
- Bidding amounts to purchase the item is based on a perceived market value.
- Highest bidder is the only one who pays; therefore, it is a purchase transaction.

Knowledge Base #1712

Donations

- ASB can gladly accept donations of money or property if the donation is for appropriate ASB expenditures.
- But they cannot be:
 - Required
 - Mandatory
 - A prerequisite to participate in a program or activity
- All ASB rules and guidelines apply to any received donations.
- Make sure you know if the college's board policy on donations has special provisions/instructions for how ASB donations are to be acknowledged or accepted (and by who!).

Chapter 8 p 97 (Websites) & Chapter 9 p 112, Chapter 12 p 145-148



Allowable Expenses

- Must be comply with the law and college board policy
- Must promote the students' general welfare, morale, and educational experience
- Must be directly linked to the students' benefit
- Must be preapproved
- Must be outside of what the community college should provide, or has provided in past, from their own general funding sources
- Must benefit a group of students (with few exceptions)
- It is something “extra” that the students really want

Chapter 14 p 179

Gift of Public Funds

Gift of Public Funds

- Expenditures of school funds must be for a direct and primary public purpose to avoid being a gift of public funds
 - Private individuals must be benefitted only incidentally
 - Approved public purpose must be within the scope of a community college's jurisdiction and purpose
- Expenditures that most directly and tangibly benefit students' education are more likely justified
 - Expenditures driven by personal motive are not justified even if long-standing custom or based on benevolent feelings

Chapter 3 p 14, Chapter 14 p 179-181, 183

Gift of Public Funds (cont.)

- To justify the expenditure of public funds, the governing board must determine that the expenditure will benefit the education of its students.
- *If the governing board has determined that a particular type of expenditure serves a public purpose, courts will almost always defer to that finding: **Put it in board policy!***
- The following can be considered a gift of public funds unless in board policy:
 - Awards
 - Donations to charity
 - Flowers

Public Scrutiny Test

- All funds received by the College:
 - Are considered public funds
 - Must be used to support the educational mission
- The best test to use when determining whether the expenditure is appropriate is called the “public scrutiny test.”
 - Ask: Whether the tax-paying public would view the expenditure as necessary to support public education.
 - Answer: If you are already questioning whether the expenditure is appropriate, it may very well not be!!

Public Funds Definition

- For purposes of state law, public funds are identified as any monies that are collected and retained in a college account. This includes all student activity dollars, which are designated as “quasi-public funds” and subject to Board of Education direction and control in the same manner as all other college funds. Any “community college district” fund is considered public funds, unless the college is acting as a custodian for privately raised funds in a separately maintained agency fund or account.
- Funds maintained by ASBs, are public funds subject to the constitutional gift clause.

Non-Public Funds Definition

- Dollars that are collected and retained by outside organizations such as Foundations, PTOs, and booster groups. This also includes collective bargaining union accounts.
- Privately funded monies held by the college as a custodian of a separately maintained agency fund or account, such as flower funds paid for exclusively by employee contributions, or profits from vending machines that are exclusively used and paid for by college employees, are also considered non-public funds. FCMAT would prefer such privately funded monies not be held by the college.

California State Constitution Definition

- The use of public funds is strictly defined in the California State Constitution (Article 16, Section 6)
- Prohibits public agencies, including school and community college districts, from making a gift of public funds to any individual (including public employees), corporation, or even to another government agency.
 - Article 16 basically states that in the absence of a statute granting public local educational agencies (LEAs) the legal authority to make a special expenditure (i.e., for food, clothing, awards, etc.), “... the Legislature shall have no ... power to make any gift, or authorize the making of any gift, of any public money or thing of value to any individual, municipal or other corporation ... whatever ...” and they cannot authorize any county, city, or other political subdivision to make any gift of public money to an individual, corporation, or other government agency.

Let's Be Accountable

- “Due to their unique operating environment, governments have a responsibility to be accountable for the use of resources that differs significantly from that of business enterprises. Although businesses receive revenues from a voluntary exchange between a willing buyer and seller, most governments obtain resources primarily from the involuntary payment of taxes.” (GASB White Paper: *Why Governmental Accounting and Financial Reporting Is – And Should Be – Different* (April 2013)).
- The restriction against gifts of public funds is in place to ensure accountability to constituents and to prevent misuse of this public money.

Public or Private Purpose

- As the California Supreme Court explained in *City of Oakland v. Garrison* (1924) 194 Cal. 298, 302: Where the question arises as to whether or not a proposed application of public funds is to be deemed a gift within the meaning of that term as used in the constitution, the primary and fundamental subject of inquiry is as to whether the money is to be used for a public or private purpose. If it is for a public purpose within the jurisdiction for the appropriating board or body, it is not, generally speaking, to be regarded as a gift.
- The gift of public funds, such as any expenditure which benefits an individual or small class of individuals only, with no benefit to all of the residents of the political entity is prohibited.
- The purpose of the expenditure, not the recipient, is the most important factor to be considered.

Connection to Education?

- An expenditure which does not have an obvious benefit or connection to education of the district's pupils should be carefully reviewed.
- For purposes of approval of district orders for payment, a governing board's expenditure of funds will not be considered a gift of public funds if one of the following is true:
 - The Legislature has provided that a school board must or may make such an expenditure;
 - The expenditure falls under a specified exemption (e.g., joint powers agreement);
 - The district's governing board has determined that the expenditure serves a public education purpose

Consideration

- Importantly, an expenditure is not a “gift” within the meaning of the constitutional prohibition if the district receives adequate consideration in exchange for the funds expended.
 - Consideration is a benefit or something of value commensurate with amount of the payment.
- Courts have interpreted this provision to include all payments of public money for which there is no authority or enforceable claim, even if there is a moral or equitable obligation.

Is the Expenditure in Code?

- LEA expenditures determined to be a public purpose are generally authorized by statute. So if in Code....not a gift of public funds.
- In the context of public education, an expenditure serves a legitimate public purpose when it will directly and tangibly benefit the education of students within the college.
- To justify an expenditure of public funds, a community college district's governing board must determine that the expenditure will benefit the education of its students. If the governing board has reasonably determined that a particular type of expenditure serves a legitimate, and approved, public purpose, and within the scope of the LEA's jurisdiction and purpose, courts will generally defer to the board's decision.
 - An LEA's jurisdiction does not extend to the aid to the indigent and the like, or the promotion of social welfare, though these may be lawful public purposes for other agencies.

Is the Expenditure in Policy?

- Expenditures driven by personal motives or moral obligations, or for noble or virtuous purposes such as a desire to convey compassion, sympathy, joy, or gratitude, are not justified and generally do not serve a primary public purpose and, thus, are likely unlawful gifts of public funds, even if they have been a long-standing custom locally or are based on benevolent feelings.
- If the LEA's governing board has determined that a particular type of expenditure serves a public purpose, courts will almost always defer to that finding.
- Thus, if the college has a board policy or resolution stating that specific items are allowable (e.g. scholarships or donations), there is more certainty that the expenditure might be considered allowable.
- CONSULT WITH LEGAL

Can't merely be for Goodwill

- The board policy or resolution should state the general reasons that the board has determined that the expenditure serves a public purpose.
- Even if an expenditure incidentally benefits an individual, it is not a gift if it serves a public purpose of the college.
- The public purpose must be something more tangible than abstract “goodwill” or “public relations”.
- It is up to the college governing board to determine that it has a legitimate public purpose other than mere goodwill to justify a public expenditure.

Reminders:

- Colleges and their employees are prohibited from using public funds for private purchases and expenses.
- In general, the use of college funds which are not either expressly or impliedly legally authorized is unlawful.
- Colleges should consult legal counsel if they believe an expenditure could be construed as a gift of public funds.

Examples to consider

- There are various circumstances when a decision must be made whether a particular expenditure is a gift of public funds. Let's talk about some common scenarios and examples that reflect current executive, administrative, and judicial interpretation of this legal principle.

Unallowable Expenditures

- A social gathering where a meal is provided for employee recognition meals such as for teacher appreciation, secretary day, etc.
- Contributions or donations to religious, community, charity, other non-profit groups
- Purchase of flowers for personal gift
- Giving of flowers or items to convey compassion, sympathy or meet a perceived moral obligation
- Presents or gifts to anyone including employees, volunteers, or students, including for appreciation or recognition
- Costs related to conference/workshop tours or other non-business related activities
- Alcohol
- Gift cards and gift certificates
- Holiday or other staff parties or picnics
- Employee reimbursement for mileage from their residence to their place of work

Allowable Expenditures

- School furniture, supplies, and equipment;
- Teacher and faculty salaries;
- Uniforms and regalia for school bands, choirs, or athletic teams;
- Caps and gowns for graduation ceremonies;
- Instructional materials and textbooks;
- Maintenance of buildings and facilities;
- Research and promotional activities to advance public education;
- Awards to students for excellence or employees for exceptional contributions (if in board policy);
- Flowers or decorations for a district awards ceremony or commemorative event;
- Transportation for students living in outlying parts of the district.
- Refreshments/meals for meetings for the purpose of conducting school business (i.e. curriculum meeting during lunch)
- Snacks, refreshments, and food for students in the course of the school day that are deemed to contribute to the educational process (i.e. during testing)

What can Happen?

- Districts and public officials can face potential legal liability, including taxpayer lawsuits, civil and criminal penalties, and the loss of public confidence, for the misuse or improper expenditure of public monies. (See, e.g., Gov. Code, § 8314; Pen. Code, § 424.)
- The California Supreme Court also held that public officials may be held personally liable if they fail to exercise due care and reasonable diligence in authorizing the expenditure of public funds.
- Whether or not an official has acted with due care depends on various factors including, for example, whether the expenditure's impropriety was obvious or not, whether the official was alerted to the possible invalidity of the expenditure, and whether the official relied upon legal advice in making the expenditure.

Gift of Public Funds Conclusion

- As public agencies, school and community college districts are subject to the constitutional prohibition against gifts of public funds.
- In reviewing proposed expenditures, colleges should exercise due care and diligence in determining whether or not a particular expense serves a primary public purpose.
- Although the analysis may be somewhat confusing and unclear at times, in the world of public education, expenses are most likely justified when they will directly benefit the education of students within the district.
- **The best way to guard against gift of public funds issues is through board policy.**

More Specific to ASB



Examples of Allowable Expenses

These example expenditures enhance students' educational experience:

- Student magazines and newspaper subscriptions
- Supplemental equipment for student use not provided by the college (e.g., telescopes)
- Field trips/excursions
 - Unless part of the curriculum and students receive class credit for it
- Extracurricular athletics costs (e.g., costs for ticket sales, game officiating and security)
- Social events for students
- Awards if a college policy allows them
- Substitute faculty if the faculty member is absent due to an authorized ASB event

Unallowable Expenses

Ask these questions:

- Does the expense directly promote the general welfare, morale or educational experience of the students?
- Does the expense benefit students as a group?
- Are you sure the expense can't be considered a gift of public funds?
- If you answer **NO** to any question above, the expense is probably unallowable from ASB.

NO = Don't spend from ASB funds!!!

Chapter 14 p 179



Unallowable Expenses (cont.)

Include:

- Curriculum and classroom supplies
- Expenses that are the college's responsibility, including trips that are listed in the instructor's syllabus, and students receive class credit
- Repair and maintenance of college equipment/facilities
- Items for employee personal use
- Faculty meeting costs
- Employee clothing/attire (e.g., coaches' uniforms)
- Employee appreciation meals
- Donations to other organizations, families or students in need
- Presents or gifts to anyone, including employees, volunteers or students

Chapter 14 p 180, 183 clothing



Unallowable Expenses (cont.)

- Band/cheerleading/swim team, etc., “uniforms” – if paid for and owned by the college:
 - Must be returned to the college
 - If lost or damaged, student can be charged for replacement.
 - Students can purchase their own uniform but they cannot be different than the college-approved uniform with special markings, etc.
- However: ASB fundraising for uniforms is allowable if there is a legitimate club.
 - Must have proper approvals
 - If not enough money fundraised – everyone will still receive the same uniform.
- **CONSULT WITH COLLEGE LEGAL COUNSEL.**

Knowledge Base # 6267, 4597



When there is a Surplus of Funds

- When a club raises funds there must be a purpose in mind, and that purpose should be stated and approved on the fundraising approval form.
- So, when funds are raised for a specific reason, even if there is surplus, the money cannot be used for just anything.
 - The surplus must be used for the stated purpose.
- If a fundraiser comes up short, the club that came up short should hold another fundraiser to cover the deficit.
- Other clubs having to use their balances to cover a shortfall of another club is not fair or appropriate.
 - The students in the club who raised the money do not benefit.

Chapter 6 p 57



Awards

- Board required to adopt rules and regulations about awards.
 - If no policy or regulations, no awards allowed (even for students)
 - Awards are allowed to employees for exceptional contributions and to students for excellence.
- Only student awards should come from ASB
 - Governing board policy needed for types of student awards, e.g., awards to students for excellence and performance, trophies, plaques, certificates, shirts, tickets, etc. (the longer and stronger the list, the more likely stakeholders and the community understand what is allowable).
- Awards cannot exceed \$200 in value unless board policy states a higher amount.
- Awards are not authorized or allowed to community members, parents, or volunteers from ASB funds.

Chapter 14 p 182-183 & Knowledge Base #6840

Gifts

- If something is purchased for a specific student or employee and it is not an allowable award, it is a gift.
 - GIFTS ARE UNALLOWABLE, even if small in amount.
 - People have tried to say that if a gift's value is “de minimis,” trivial or of little value, it would be OK (e.g., under \$20/person).
 - They are wrong! A gift is a gift!
 - Gift certificates are ordinarily characterized as gifts of public funds even when purchased for an event with a public purpose because they confer a tangible private benefit to an individual.
 - Ask merchants or individuals to donate gift certificates to avoid making a gift of public funds.
 - If students want to give gifts, use private funds, not public funds.

Chapter 14 p 180

Donations to Other Organizations

- Donations are considered a “gift of public funds”.
 - Remember, the funds have been raised under the college’s nontaxable status.
- Students can still organize fundraisers to support specific charities if fundraiser clearly identifies fundraising purpose.
 - The checks should be written directly to the organization/charity.
 - An exception can exist only if college governing board approves a special fundraising event with the funds clearly segregated within the ASB account.
- Donations are not allowed for needy families. A legal foundation must be established separate from the college.

Chapter 14 p 181

Scholarships to Universities

- Scholarships are allowed, if the following exists:
 - Governing board, or authorized designee, approves the scholarship donation.
 - Acceptance must be in writing, including all conditions prescribed by the donor.
 - Statement must also be included regarding the disposition of any remaining balance.
 - Each scholarship and trust account must be established separately.
 - The donation cannot be for specific student(s).
- Students may organize fundraisers to raise money for scholarships:
 - If the college governing board approves a special fundraising event with the funds clearly segregated within the ASB account.

Chapter 8 p 93, Chapter 12 p 147, & Chapter 14 p 181-182



Scholarships to Universities (cont.)

- If scholarships will be allowed from ASB funds, the following must occur:
 - An unbiased committee must select the recipients
 - The selection criteria must be determined prior to beginning the fundraising or acceptance of any donations
 - Scholarship check(s) must be made payable directly to the university
 - If checks are to be directly payable to students, a governing board policy fully vetted by college legal counsel must expressly allow this action. FCMAT does not recommend checks be payable directly to students.

Chapter 14 p 181-182

Employee Appreciation Meals

- Employee appreciation meals are NEVER allowed.
- Such appreciation meals do not qualify as awards.
- Attorney general says not “actual and necessary.”
- Do not provide a direct and/or substantial purpose - would be a gift of public funds.

Chapter 14 p 183



Sports and Athletics Club(s)

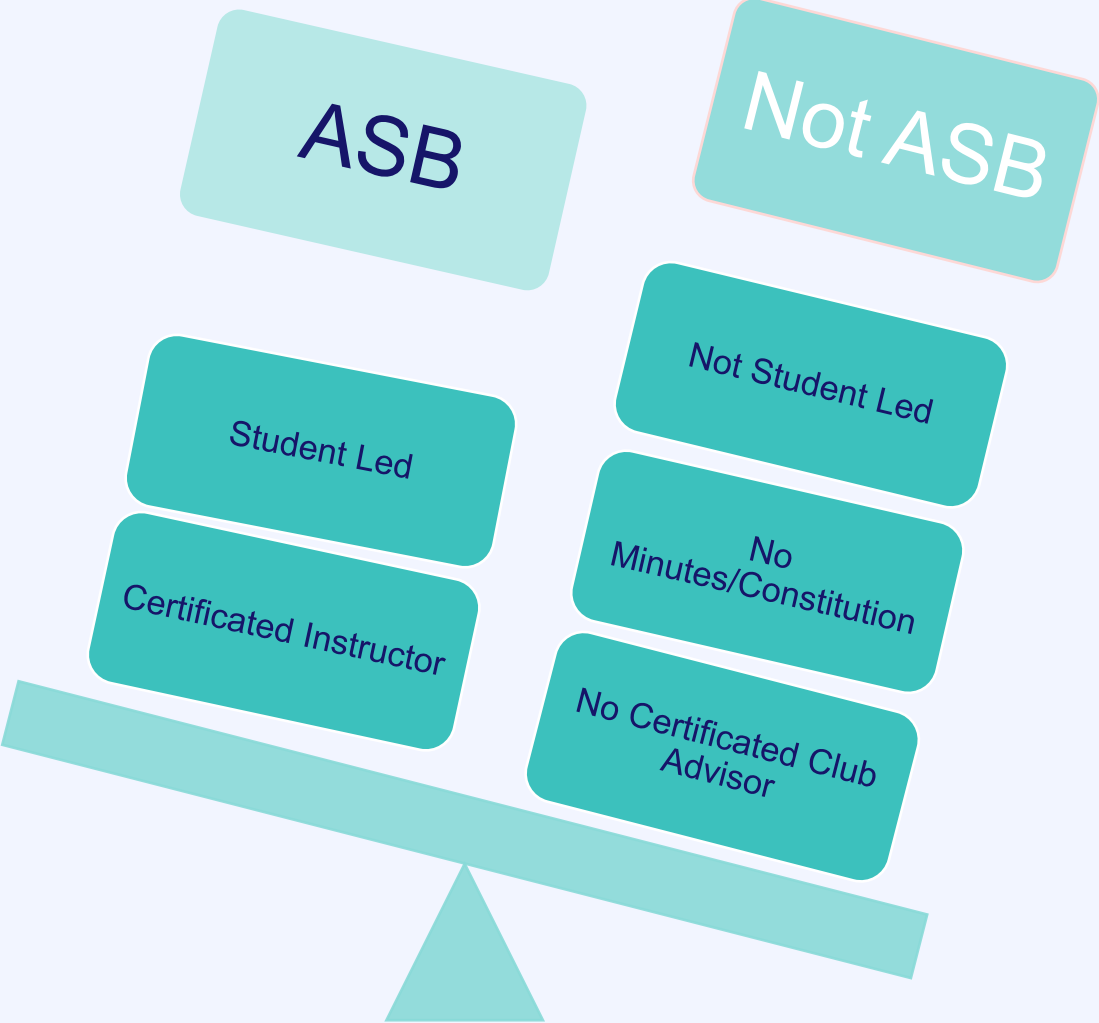
- For any sports revenues and expenditures to be accounted for and part of the ASB account, the sport must meet the same ASB club requirements as all other clubs.
 - Each sport may be a separate club with its own constitution, certificated advisor, budget and other required elements,
- OR**
- Multiple sports can be organized as one athletics club, with each sport having representation in the club, one constitution, one certificated advisor and other required elements.
 - If revenue is to be shared, governing board policy should state how revenue from ticket sales, etc., is distributed.

Chapter 4 p 25, Chapter 8 p 91

Sports and Athletics Club(s) (cont.)

- If one athletic club is formed, each sport should elect at least one delegate or commissioner to be a member of the club's student leadership team, thus ensuring that each sport receives representation.
 - Each sport represented in the athletics club may then be accounted for in the ASB accounting record as a subaccount of the athletics club.
- If the athletic director of the school is a certificated employee of the college, the athletic director may serve as club advisor.
 - But remember, the club advisor - a certificated employee - must be at all club activities. Even if a classified coach is at the event, the certificated advisor must also be there.

Sports and Athletics Club(s) (cont.)





Sports and Athletics Club(s) (cont.)

If not operated as a true club, meaning the faculty make the decisions (not student led), no club constitution/bylaws, no student fundraising, there is no certificated instructor acting as club advisor and attending all sport/athletic ASB fundraising/events, then:

- Sports/athletics does not belong in ASB
 - Operations and bookkeeping should be in some other college business-office-approved account
 - Example: School donation account



Contracts for ASB

- Contract - legally binding document
 - Those who are authorized to sign contracts under college policy are the same individuals as those allowed to sign ASB contracts.
 - Unless board policy states otherwise
 - College contract policies and procedures protect the ASB, the students, and their assets.

Chapter 15 p 185



Consultants

- Independent from the college (e.g., disc jockey or photographer).
- Not an employee and not paid as an employee in ANY other capacity.
 - If the proposed consultant is already a college employee, they cannot be paid as a consultant for this work.
 - The work would be paid through college payroll and ASB would reimburse the college.
 - The extra work will be reported on the employee's annual W-2 issued by the college.
- ASB must preapprove the expense before the work occurs.
- Consultants are paid directly by ASB with a vendor check.
- Consultant should fill out W-9 prior to working.
 - Income reported on IRS Form 1099 annually through the college business office.

Chapter 17 p 193-195

Internal Controls Protect Everyone

- Your ASB and the community college
- Integrity and avoiding the appearance of negligence
- Employees – administrators, teachers, faculty, etc.
- Volunteers – They need a lot of supervision and instruction
- Students – They also need a lot of supervision and instruction
- Assets
- Reputation

Internal controls for even simple things such as issuing receipts from a multicopy receipt book send a strong message to donors, parents, and other stakeholders.

Internal Controls

- Board policies and procedures designed to provide the governing board and management with reasonable assurance that the college, including ASB, achieves its objectives and goals.
- Internal controls help protect EVERYONE, including students, volunteers, and you.
- Principal mechanism for preventing and/or deterring fraud or illegal acts, misappropriation of assets, or other fraudulent activities.
 - Can include an array of irregularities characterized by intentional deception and misrepresentation of material facts.

Chapter 5 p 41-49, 53-56, Chapter 18 p 197-202, & Chapter 24 Appendix p 367-375 checklist

Examples of Internal Controls in ASB

- Purchase order/requisition completed prior to purchase.
 - If not, ASB/school is not obligated to pay for the expenditure.
- Never pay expenses out of cash receipts.
 - Deposit cash and then write a check.
- Keep the checkbook and extra check stock in a safe, secure place.
- Void checks that are incorrect or not issued.
- Never sign checks in advance – have at least one backup signer (but can be more).
- Use checks in proper sequence.
- Never make check out to “cash”.
- Check should have two signatures.
- Signature stamps are not permitted – wet signatures only!

Examples of Internal Controls in ASB (cont.)

- Disbursed or paid ONLY if original documents/receipts exist (e.g., proof of purchase).
- Service/product/goods MUST be RECEIVED and authorized before payment is made.
- Student council and each club prepares and maintains a record of each meeting and the action(s) taken.
- Bank reconciliations done within two weeks of receiving bank statement, with proper review and approval afterward.
- Always use prenumbered receipt books or tickets.
- Adequately control where prenumbered tickets and receipt books are stored.
- Training programs.

Examples of Internal Controls in ASB (cont.)

- Dual cash counts
 - Always count funds with a witness and countersign the proper deposit forms.
 - **Use tamper proof sealed plastic bank bags at all levels of custody.**
- Endorse all checks – “For Deposit Only ...”
- Do not leave funds unattended on a desk.
 - If the employee who normally receives cash is not available, assign another individual to receive and sign for the received funds in their absence. The cash should be double counted by this person with the person who brought it to them.
- Timely deposits (2-3 days)
 - Make the bank deposit THAT DAY, if possible!
 - Never leave undeposited money at a college over weekends or holidays.
- Report overages and shortages.
 - Loss of tickets is the same as loss of cash.

Examples of Internal Controls in ASB (cont.)

- Budgets developed for each club
- Completion of Revenue Potential Forms
- Inventory control for vending machines, stores, and concession stands
- Proper cash handling and physical chain of custody for all cash receipts
- No commingling of receipts from separate events
- Immediate delivery of all event proceeds to the ASB bookkeeper
- Using prenumbered tickets, receipt books, or tally sheets
- Implement cash boxes to keep the received money safe
- Training programs

Examples of Internal Controls in ASB (cont.)

- Safe storage is a MUST
 - The safest place for money to be is in the bank
 - Second safest place is a SAFE
- *FUNDS SHOULD NEVER BE TAKEN HOME, PUT IN A DESK DRAWER, OR EVEN IN A LOCKED FILE CABINET.*
- If you cannot deposit the money in the bank that day - PUT THE MONEY IN THE SAFE WITH A WITNESS PRESENT!

Examples of Internal Controls in ASB (cont.)


- All ASB documents should be fully completed and turned in timely.
 - This includes payment of invoices, which could be from vendors, consultants or faculty.
- Proper back-up documentation is required for payment to be made, with all associated supporting information, including information on the invoice(s) such as the date, time, place, time or hours charged for, in addition to any other related supporting receipts that are part of the invoice, to properly disclose and present a full and transparent accounting of all activities the ASB is paying for.

Purchase Order Process

- Yes, purchase orders are required. They must be issued to reflect proper preapproval.
- ASB not obligated to pay for an expenditure ordered or directly purchased by faculty, student or other person who has not first received a purchase order with the appropriate approval signatures.
 - You cannot go shopping on your own and expect to be reimbursed.
- Purchase orders must be prenumbered and have multiple copies.
- A check request is NOT preapproval.
- Three signatures are required per Education Code Section 76063 for community colleges.
 - Student representative
 - Certificated advisor (student activities coordinator)
 - Board designee (VP/dean of student services)

Chapter 18 p 198-202, 207-208 sample PO, 210-211 sample expenditure approval

Purchase Order Process (cont.)

- Prior approval = Purchase order with all three signatures
- Submit purchase order to ASB bookkeeper
- Students record purchase order in club's minutes (*record in minutes before or after approval depending on college requirements*) – update your policy
- Bookkeeper confirms sufficient funds are available
- After goods/services received, when ASB bookkeeper is ready to pay bills
 matches purchase order, invoice, receiving copy, etc.
- ASB bookkeeper prepares check (two signatures)

Note: Students should not sign checks. The purchase order is the approval.

Purchase Order Process (cont.)

- ASB bookkeeper provides all documents for review along with checks.
- Check signers review all documents, e.g., check, invoice, purchase order, receiving document (packing sheet), etc., before signing check.
- After the check has both signatures, the ASB bookkeeper mails the check.
- Accounting records updated.
- There should be a policy regarding the amount by which a purchase order may be exceeded and still be paid without further approval; e.g., if invoice exceeds purchase order by more than 10%, the ASB bookkeeper should obtain approval from the three individuals who approved the original purchase order before paying it.

Is Inventory Control Really Necessary?

- YES! Inventory control helps safeguard against theft and is an internal control, similar to ticket controls.
- Inventory controls:
 - Beginning inventory
 - Plus purchases
 - Minus sales
 - Ending inventory
 - Physically count inventory at intervals
- Without adequate inventory procedures, inventory is often sold and cash stolen.
- Good inventory systems help prevent faculty from being falsely accused of inventory theft.

Journal Entries and Transfers

- Control is required.
 - Purpose must be documented with a detailed reason
 - Needs supporting documentation
- Should be prepared only with prior written approval
 - ASB advisor
 - Vice president or dean of student services
 - Club meeting minutes
- Any journal entry that is not properly documented or approved is a fraud indicator.

Chapter 7 p 70

ASB Minutes Requirements

- The student council and each club must prepare and maintain a record of each meeting and action taken.
- Minutes should include:
 - Details of proceedings
 - Actions taken
- Minutes should demonstrate that policies and procedures are followed by ASB
- Minutes need to be concisely and clearly written.

Chapter 4 p 32-33, minutes form, p 34-35, instructions

ASB Minutes Requirements (cont.)

- Any information introduced at the meeting should be attached to the original copy and kept on file, such as list of purchase orders, list of checks, financial information, and letters.
- The club secretary, or whoever took the minutes, should sign the minutes when they are completed. Minutes should NEVER be signed by nonattending students or administrators.
- Minutes should be reviewed and approved at next meeting.
- A binder should be maintained of all the approved minutes for the school year.

ASB Bank Accounts

- College guidelines must be followed.
 - Best practice = Only college's accounting office should open or close bank accounts.
- College accounting office must be notified when a bank account needs to be modified.
- ASB bank accounts are for the exclusive use of the ASB organization.

ASB Bank Accounts (cont.)

- ASB bank accounts should always be in the name of the ASB organization rather than in the name of any individual.
- Only ASB funds should be deposited into ASB accounts.
- There must be at least two signatories on each check.
 - These signatories should not include students
 - The bookkeeper should not be a signer either

Auditors

- Good resource when you have questions
- Annual Audit Report
 - Report of internal controls is within the audit requirements
 - Report their findings and recommendations to correct procedures
 - Protect the college by offering a third-party line of defense for why policies and procedures are necessary
- Auditors report directly to the governing board

Successful ASB Operations

- Comprehensive board policies and administrative regulations regarding ASB operations and funds
- A comprehensive and user-friendly ASB manual that provides guidance for all individuals involved in day-to-day ASB activities
- A significant level of oversight and support from the college's accounting office
- Standard processes and procedures at all sites

College Business Office

The first place you go for ASB questions

- Primary resource for college policy to determine what is allowable or prohibited
- College should provide ongoing training on the college's ASB manual and procedures (FCMAT manual recommends annual training).
 - Ensure that ASB training includes providing new faculty members and student council members with information and additional training throughout the year, and with copies of the ASB manual and board policies.
- College staff should visit ASB periodically to review the procedures in use and answer questions.

Good Checklists: Chapter 5 p 41-49, 53-56, Chapter 18 p 197-202, & Chapter 24 Appendix p 367-375 checklist

College Business Office (cont.)

- Obtain and review financial reports from the ASB accounts at least quarterly.
- Review the reconciled bank statements for all ASB accounts monthly.
- Work with the college faculty to respond to problems noted by the auditors in the annual audit and develop corrective actions to resolve the problems.
- Follow up on all issues regarding the administration of student organizations.

College Business Office (cont.)

- Develop accounting procedures for recording and controlling the student body organizations' financial transactions.
- Periodically review procedures to ensure that they conform to prescribed accounting procedures.
- Use input from faculty, student organizations and college auditors, and take this information into consideration when updating policies and procedures.
- **Develop board policies of allowable or prohibited ASB activities, transactions, fundraisers, purchases/expenditures, etc.**

When You Have Questions

- Work with your college business office first. No one knows the rules and policies of your college better.
- Ask your auditors. They have an annual responsibility to review your college, including ASB.
- Review FCMAT's *ASB Accounting Manual, Fraud Prevention Guide and Desk Reference*.
- FCMAT ASB Manual link - <http://fcmat.org/2015-asb-accounting-manual-fraud-prevention-guide-and-desk-reference/>
- Search FCMAT's knowledge base

When You Have Questions – FCMAT Knowledge Base

- To use the FCMAT knowledge base:
 - Type into your web browser, “www.FCMAT.org,” then select the pull-down menu at the top of the web page and choose, Help & Services, next click on Help Desk. This will take you to the FCMAT Online Help Desk page. Scroll down in the page to “**Archive of Frequently Asked Questions.**” This will take you to the knowledge base page. In the pull-down menu titled “Category,” select “Associated Student Body” and then use “Search Results for Keyword” for the specific topic you want to know more about.

When You Have Questions – FCMAT Knowledge Base (cont.)

- Knowledge Base Link:
https://servicedesk.csis.k12.ca.us/MRcgi/MRhomepage.pl?USER=&PROJECTID=9&MRP=0&OPTION=none&WRITECACHE=1&FIRST_TIME_IN_FP=1&FIRST_TIME_IN_PROJ=1&
- After you have researched board policy, met with your college business office, carefully searched the knowledge base, and when all else fails, you can submit your question to FCMAT's Help Desk and receive a confidential response.

Any Questions?

Thank You For Attending

There is More Education Code Below

Education Code Section 76060 – Multiple Student Bodies

- More than one student body organization may be authorized by the governing board if it is determined that the students attending during the day and those attending in the evening each need their own student body association, or if geographic circumstances make having one association impractical or inconvenient.

Education Code Section 76060.5 – Student Representation Fee

- If a student body association is established, an election can be held to establish a student representation fee of \$2 per semester.
- The election shall be open to all regularly enrolled students of the college.
- An affirmative vote by two-thirds of the voting students is sufficient to establish the fee, except in special circumstances.
- The fee may be terminated by a majority vote of the students voting in an election held for this purpose, open to all regularly enrolled students of the college.

Education Code Section 76060.5 – Student Representation Fee (cont.)

- The student representative fee shall be collected by the college, deposited into a separate fund, and kept in custody by the chief fiscal officer of the college.
- The fee shall be expended to provide for the support of governmental affairs representatives who may be stating their positions and views before city, county and college governments.
- An administrative fee up to 7% may be retained by the college.
- A student may refuse to pay the student representation fee for religious, political, financial or moral reasons if the refusal is submitted in writing at the time the student pays their other fees.



Education Code Section 76063 – Preapprovals and Advisor

- Provides guidance on where the ASB organization may deposit or invest its funds.
- Requires that ASB funds be spent subject to procedures established by the student body organization and with the prior approval of three people: an employee or official of the community college designated by the governing board; the ASB advisor (must be a certificated employee); and a student representative of the ASB organization.
 - *Faculty who have a certification may be a club advisor as long as they meet the minimum qualifications to teach a class and there is board-approved policy allowing faculty to be ASB advisors.*

Education Code Section 76067-Student Political Organizations

- Allows student political organizations affiliated with a political party on the state of California ballot to hold meetings on a community college campus.
- Allows distribution of bulletins and circulars about the meetings provided that there is no endorsement of the organization by school authorities and no interference with the college district's regular education program.

Education Code Section 76061 - Student Officer Requirements

- For a student to be elected as an officer in student government, he or she must be enrolled at the college at the time of the election and throughout his or her term; and,
- Maintain a minimum of five semester units; and
- Must meet and maintain the minimum standards of scholarship prescribed for community college students.