

**Student Services  
DRAFT as of 6/4/13**

**AP 5420 ASSOCIATED STUDENTS FINANCE**

**References:**

Education Code Sections 76063-76065

***NOTE: This procedure is legally required if the Board has established an associated students organization in accordance with Education Code Section 76060. Local practice may be inserted. The following is an example:***

Associated Student Funds are part of the annual audit and are maintained in accordance with the following procedures:

- Associated Student Organization Fund books, financial records and procedures are subject to annual audit.
- Reports of the annual audit of Associated Student funds are submitted to the Board of Trustees.
- Audit information, except that containing personnel or other confidential information, shall be released to the Associated Students by the College Business Office.
- Associated Student funds shall be deposited with and disbursed by the College Business Office.

The funds shall be deposited to and invested in the Alameda County's Pooled Investment:

- Deposits in trust accounts of the centralized State Treasury System pursuant to Government Code Sections 16305 - 16305.7 or in a bank or banks whose accounts are insured by the Federal Deposit Insurance Corporation.
- Investment certificates or withdrawable shares in state-chartered savings and loan associations and savings accounts of federal savings and loan associations, if the associations are doing business in this state and have their accounts insured by the Federal Savings and Loan Insurance Corporation and if any money so invested or deposited is invested or deposited in certificates, shares, or accounts fully covered by the insurance.
- Purchase of any of the securities authorized for investment by Government Code Section 16430 or investment by the Treasurer in those securities.
- Participation in funds that are exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code and that are open exclusively to nonprofit colleges, universities, and independent schools.

- Investment certificates or withdrawable shares in federal or state credit unions, if the credit unions are doing business in this state and have their accounts insured by the National Credit Union Administration and if any money so invested or deposited is invested or deposited in certificates, shares, or accounts fully covered by the insurance.
- Loans, with or without interest, to any student body organization established in another community college of the District for a period not to exceed three years.
- Investment of money in permanent improvements to any community college District property including, but not limited to, buildings, automobile parking facilities, gymnasiums, swimming pools, stadia and playing fields, where those facilities, or portions thereof, are used for conducting student extracurricular activities or student spectator sports, or when those improvements are for the benefit of the student body.

All funds shall be expended subject to such procedures as may be established by the Associated Students subject to the approval of each of the following three persons. Approval shall be obtained each time before any funds may be expended:

- the Chancellor or designee;
- the officer or employee of the District who is the designated advisor of the particular student body organization; and
- a representative of the student body organization.

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**NOTE:** The **red ink** signifies language that is **legally required** and recommended by the Policy and Procedure Service and its legal counsel. The language in **blue ink** was added by Barbara Yesnosky on May 6, 2013. This document was reviewed by the administrative team on June 4, 2013.

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**Date Approved:**

*(This is a new procedure recommended by the Policy and Procedure Service and its legal counsel)*

## Legal Citations for AP 5420

### EDUCATION CODE SECTIONS 76063-76065

**76063.** The funds of any student body organization established in the public schools of any community college district shall, subject to approval of the governing board of the district, be deposited or invested in one or more of the following ways:

(a) Deposits in trust accounts of the centralized State Treasury system pursuant to Sections 16305 to 16305.7, inclusive, of the Government **Code** or in a bank or banks whose accounts are insured by the Federal Deposit Insurance Corporation.

(b) Investment certificates or withdrawable shares in state-chartered savings and loan associations and savings accounts of federal savings and loan associations, if the associations are doing business in this state and have their accounts insured by the Federal Savings and Loan Insurance Corporation and if any money so invested or deposited is invested or deposited in certificates, shares, or accounts fully covered by the insurance.

(c) Purchase of any of the securities authorized for investment by Section 16430 of the Government **Code** or investment by the Treasurer in those securities.

(d) Participation in funds that are exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue **Code** and that are open exclusively to nonprofit colleges, universities, and independent schools.

(e) Investment certificates or withdrawable shares in federal or state credit unions, if the credit unions are doing business in this state and have their accounts insured by the National Credit Union Administration and if any money so invested or deposited is invested or deposited in certificates, shares, or accounts fully covered by the insurance.

The funds shall be expended subject to procedures that may be established by the student body organization subject to the approval of each of the following three persons, which shall be obtained each time before any of the funds may be expended: an employee or official of the community college district designated by the governing board, the certificated employee who is the designated adviser of the particular student body organization, and a representative of the particular student body organization.

**76064.** In addition to deposit or investment pursuant to Section 76063, the funds of a student body organization may be loaned or invested in any of the following ways:

(a) Loans, with or without interest, to any student body organization established in another community college of the district for a period not to exceed three years.

(b) Invest money in permanent improvements to any community college district property including, but not limited to, buildings, automobile parking facilities, gymnasiums, swimming pools, stadia and playing fields, where those facilities, or portions thereof, are used for conducting student extracurricular activities or student spectator sports, or when those improvements are for the benefit of the student body. The investment shall be made on condition that the principal amount of the investment plus a reasonable amount of

interest thereon shall be returned to the student body organization as provided herein. Any community college district approving the investment shall establish a fund in accordance with the California Community Colleges Budget and Accounting Manual in which moneys derived from the rental of community college district property to student body organizations shall be deposited. Moneys collected by the governing board for automobile parking facilities as authorized by Section 76360 shall be deposited in the fund designated by the California Community Colleges Budget and Accounting Manual if the parking facilities were provided for by investment of student body funds under this section. Moneys shall be returned to the student body organization as contemplated by this section exclusively from the special fund and only to the extent that there are moneys in the special fund. Whenever there are no outstanding obligations against the special fund, all moneys therein may be transferred to the general fund of the school district by action of the local governing board.

Two or more student body organizations of the same community college district may join together in making the investments in the same manner as is authorized herein for a single student body. Nothing herein shall be construed so as to limit the discretion of the local governing board in charging rental for use of community college district property by student body organizations as provided in Section **76060**.

**76065.** The governing board of any community college district shall provide for the supervision of all funds raised by any student body or student organization using the name of the college.

The cost of supervision may constitute a proper charge against the funds of the district.

The governing board of a community college district may also provide for a continuing audit of student body funds with community college district personnel.