



## The Associated Students Fiscal Policy

Proposals submitted to the Associated Students (A.S.) for consideration should note the following principles and policies used by the A.S. in its decision-making process. Projects that seek A.S. funding should be designed to support the A.S. mission.

### ARTICLE I: ASSOCIATED STUDENTS FINANCE COMMITTEE

#### SECTION A: PURPOSE

- (1) The Associated Students is a 501 (c) (3) according to 26 U.S.C. § 501 student organization pursuant to CA Ed. Code section 76060-76067 governed by the A.S. Constitution and By- Laws. The Finance Committee and Fiscal Policy exist in accordance with the A.S. Constitution Article VII Section 3.
- (2) The A.S. Board of Directors is the only body that has the authority to approve the A.S. budgets and expenditures, in accordance with the California Ed. Code (Section 72675).
- (3) The A.S. Finance Committee reviews and recommends to the A.S. Board of Directors all requests for funds, The Associated Students Board of Directors will be accountable for fiscal responsibility to ensure that the present and future Associated Student body remains a viable entity.
- (4) Exception to Fiscal Policy requires unanimous approval of the Finance Committee including the Chair of the Finance Committee and a 2/3 majority approval of the A.S. Board.

#### SECTION B: COMPOSITION, SUCCESSION AND AUTHORITY

- (1) The voting members of the Santa Monica College Associated Students Finance Committee shall consist of:
  - a) The A.S. Director of Budget Management (Chair)
  - b) The A.S. President
  - c) The ICC Vice Chair
  - d) The A.S. Director of Sustainability
  - e) The Designee from the office of Education Enterprise
  - f) The Designee from the office of Student Life
- (2) The line of succession for the Finance Committee shall be as follows:
  - a) The A.S. Director of Budget Management (Chair)
  - b) The A.S. President
  - c) The ICC Vice Chair
- (3) The A.S. Director of Budget Management (or A.S. President in their absence) and the Associate Dean of Student Life, Dean of Students or V.P. of Student Affairs must ensure proper approval from the Finance Committee on all requests for funds before advancing to the A.S. Board of Directors for final approval.
- (4) After approval of a proposal by the A.S. Board of Directors, payment requisitions require the A.S. Director of Budget Management (or A.S. President in their absence) and the Associate Dean of Student Life signatures prior to any expenditures or reimbursements.
- (5) The A.S. Board of Directors reserves the right to cancel or reduce funding for events, if the event has not happened within 30 days of the original scheduled date, or the college has become inaccessible to students for an extended period of time.
- (6) The A.S. Board of Directors reserves the right to use the Contingency account without the approval of the whole Board in unprecedented, dire situations, or unforeseen errors. The A.S. President and/or A.S. Director of Budget Management, Dean of Education Enterprise, and Associate Dean of Student Life must all approve of this use. Use of this account must be reported to the Board during the following meeting.



## ARTICLE II: ASSOCIATED STUDENTS BUDGET MANAGEMENT

### SECTION A: Annual Budget

- (1) The Annual Budget is determined by the estimated receipts from the Student Activity Fees collected by the district.
  - (2) The Associated Students Board of Directors will approve a balanced budget based upon projected revenues. See formulas and examples in fiscal policy addendum.
- (3) The Director of Budget Management will provide regular budget updates along with any recommendations of reallocation of unrestricted funds.

### SECTION B: FISCAL ALLOCATION FORMULA

- (1) The A.S. funding fee is defined as a student activity fee per the Chancellor's Office Associated Student Body Accounting Manual, Fraud Prevention Guide and Desk Reference (2015) and is set at \$10 per student per semester and/or intersession.
- (2) AS resource fee will be allocated within the budget as follows:
  - **Student Success:** \$2.00
  - **Cayton Center:** ~~\$2.00~~—\$1.00
  - **Basic Needs:** \$1.25
  - **Public Relations/SMC President:** \$0.25
  - **Unrestricted Line Items:** \$5.50
- (3) The California state mandated Student Representation Fee of \$2.00 will be allocated within the budget as follows:
  - Student Representation: \$1.00
  - Student Senate of California Community Colleges: \$1.00
- (4) Rollover of funds:
  - (a) If the requirements in Article II section D (1) are fulfilled, any remaining unrestricted funds at the end of a given fiscal year shall go into the "Prior Year Surplus" account.
  - (b) This account is to be used for special opportunities identified by the Board.
  - (c) The A.S. board will create guidelines for the use of prior surplus by the end of the fall semester. Within those guidelines the finance committee will recommend proposal(s) to be funded from the prior year surplus.
  - (d) Funds in the "Prior Year Surplus" account can be accessed with a 2/3 majority of vote of the A.S Board.
  - (e) If by the twelfth (12) week of the Spring semester the Board does not approve proposals in line with the plan for spending the funds, the funds will carry over into the subsequent year's "Prior Years Surplus" account with a 10% allocation to the reserve account. (This fund is not to be used to mitigate budget shortfalls or to circumvent Fiscal Policy).

### SECTION C: Accounts

- (1) **Unrestricted line items consist of the A.S. general operating budget:**
  - **Clubs:** Used for clubs' I.C.C. allotments as well as ICC Events.
  - **Bank Fees:** Used to post the bank finance charges.
  - **A.S. Directors:** Used by the A.S. Board of Directors for directors related expenses (other than conferences), such as stipends, gavels, name plates, business cards, shirts, retreats.
  - **Conferences/Memberships:** Used to sponsor student conferences and community colleges associations membership fees.
  - **A.S. Activities:** Used for A.S. sponsored activities.
  - **Sustainability:** Used for financing products and initiatives that aim to foster a more eco-friendly student life and campus environment. This includes financially supporting the upkeep, supplies, and student stipends for the Organic Learning Garden.
  - **Special Projects:** Used for projects that go in line with the A.S. mission and values.
  - **Office:** Used for purchasing office supplies and equipment
  - **Elections:** Used for raising awareness of the A.S. elections and assisting candidates with campaign financing.
  - **Publicity/Advertising:** Used for promoting a good A.S. image and publicizing A.S., I.C.C., and other student organizations' events, programs, initiatives, projects, etc.
  - **Contingency:** Used for last-minute opportunities and unexpected developments.

(2) **Restricted Line Items, which consists of the A.S. portion of the budget that is meant for very specific purposes:**

- **Presidents' Account:** Used for joint projects agreed upon mutually between the A.S. President and SMC Superintendent/President. Projects only require Board approval on individual projects in excess of \$10,000 and/or annual spending in excess of the annual budgeted allotment for this account. This account can only be used if the College matches the funds provided by A.S. through this account.
- **Cayton Center:** Used for maintaining and improving the Cayton Center. This includes but is not limited to the A.S. lounge, offices and computer lab.
- **Student Success:** Used to provide students with support to ensure their success
- **Basic Needs:** Used for supporting food and housing security for students, as well as, other basic needs
- **Prior Year Surplus:** Used for special opportunities based on A.S. board approved guidelines. (This fund is not to be used to mitigate budget shortfalls or to circumvent Fiscal Policy).
- **Reserve:** Used only in case of an extreme emergency due to unforeseen circumstances. (See section D – Reserves)

**SECTION D: Reserves**

- (1) Reserves equivalent to the sum of the preceding three fiscal years of unrestricted expenditures must be maintained and can only be accessed in the event of an emergency as defined by the California Education Code § 54956.5.
- (2) Use of the reserves in the event of an emergency will require unanimous approval by the Finance committee, including the vote of the Finance Committee Chair, and a unanimous vote of the A.S. Board, as well as approval by the Dean of Education Enterprise, the Vice President of Student Affairs or the Vice President of Business Administration or the President/Superintendent of the Santa Monica Community College District.
- (3) If reserves are accessed, subsequent year budgets will be adjusted until the budget returns to fiscal balance with appropriate reserves.

**ARTICLE III: FUNDING REQUESTS (“Proposals”)**

**SECTION A: General Policies**

- (1) Fiscal Policy applies to everyone. All proposals submitted to the A.S. Board of Directors that request funding must go through the Finance Committee and adhere to Fiscal Policy, the A.S. Governing documents, and all laws and regulations such as those described in the A.S. Constitution Article I Section 3.3.
- (2) Compliance with the Fiscal Policy is not a guarantee of funding. The Finance Committee and the A.S. Board of Directors will reflect on a variety of factors in considering a proposal.
- (3) Any funding approved by a current or previous A.S. Board of Directors, (e.g. a past event or annual field trips) does not set a precedent for current or future A.S. Boards.
- (4) Boards may pre-approve funding for subsequent academic year events and costs that are timing sensitive (e.g. Director stipends, operating expenses, etc.)
- (5) Any person, club, or organization that receives funding in whole or in part from the Associated Students must provide sponsorship credit to the Associated Students on all announcements, advertisements and/or promotional materials as outlined in Section V, C.
- (6) Incomplete proposals may not be considered.
- (7) The A.S. Board of Directors will not fund proposals retroactively nor reimburse any expenses incurred prior to Board Approval.
- (8) No stipends, salaries or wages to any students or employees of Santa Monica College will be funded except as in Article II section C item 1 and Article III section A item 9
- (9) No students or staff will get paid for professional services without a business license.
- (10) Violations of fiscal policy or acts of fraud may result in suspension of funds, future denial of funds, and/or disciplinary and/or legal action.
- (11) Raffles are not permitted.
- (12) In accordance with state law (California State Constitution Article 16, Section 6), the gift of public funds, awards, gifts, prizes and recognitions cannot have any transferrable value. For example, trophies, plaques, and certificates are acceptable.
- (13) Individual students and/or student groups not affiliated with clubs, and SMC departments may request funding from the A.S. with the support of a sponsor; A sponsor being faculty, staff or administrator who is employed at Santa Monica College.

**SECTION B: Proposal Submission Guidelines**

- (1) Proposal process and deadlines are updated annually and can be found on the Associated Students website.
  - (a) Proposals are to be submitted to the Office of Student Life by posted deadlines (see <https://www.smc.edu/community/office-of-student-life/student-government/forms-documents.php>).
  - (b) Proposals that do not meet the posted deadlines may not be considered and/or may be delayed.
  - (c) Proposals for events and fieldtrips should be submitted at least three (3) weeks before the event or fieldtrip.
- (2) A representative of the proposal must be present to answer questions during the Finance and A.S. Board meetings when the proposal is being considered. Failure to attend the Finance and Board meetings may result in the proposal not being considered.
- (3) Official price quotes or “proof of price” for every expense budgeted must be submitted with the proposal unless the finance committee officially authorizes “pending quote approval.” The finance committee may waive this requirement for expense line items under \$25.00.
- (4) The Finance Committee reserves the right to ask for additional information/documentation when reviewing a proposal.
- (5) Any changes to the budgeted expenses or amounts requested from ICC allotment or A.S. funds must be submitted to the Director of Budget Management 24 hours before the Finance Committee meeting.
- (6) No event or fieldtrip proposals will be considered in Finance or at the Board without prior approval by the Associate Dean of Student Life or designee.
- (7) Upon completion of any off-campus project, trip or event, a representative from the project may be asked to provide the Associated Students with a short written or oral report within two weeks.
- (8) If the project is not planned to be completed in the semester it is funded, the A.S. Board may request periodic updates prior to additional disbursements.
- (9) If a project is not planned to be or is not completed in the fiscal year in which it was approved, the Associated Student President in the year in which it is completed must sign the requisition along with the Budget Manager.
- (10) A proposal that has been amended and approved cannot be re-submitted again. In addition, A proposal that has been submitted and rejected will not be considered again, if identical to the previous proposal.

### **SECTION C: Sustainable Purchasing Policy**

- (1) All A.S. proposals must follow sustainable guidelines and purchasing practices (see attached) as drafted by the Director of Sustainability and approved by the Director of the Center for Environmental and Urban Studies.
- (2) A.S. retains the right to add to or modify the list of prohibited and preferred products at any time.
- (3) Green Purchasing: Preference should be given to environmentally-friendly products and local vendors.
- (4) All events must follow the **Zero-Waste** college policy.

### **SECTION D: Fieldtrips**

#### **(1) General Provisions**

- (a) All field trip forms must be completed and accompany any trip proposal.
- (b) All field trip proposals must include a comprehensive budget that outlines all costs of the trip including but not limited to transportation, per diem, registration/conference fees, and lodging for all participants including advisors.
- (c) The trip must be open to any current A.S. member willing to participate, if appropriate.
- (d) The purpose of the trip must be educational, team building, and/or representing SMC.
- (e) For day trips and class enhancement trips, there should be a meaningful monetary contribution from the student participants that is directed towards the cost of the trip (exceptions may be made for students with demonstrated financial need).
- (f) Overnight trips to California, Arizona, and Nevada may be funded for up to 50% of the total cost of the trip. Overnight trips to all other 47 states and trips abroad may be funded for up to 25% of the total cost of the trip. The A.S. reserves the right to make exceptions in extraordinary circumstances (e.g. a prestigious international award to the college, an extraordinary research opportunity).
- (g) Airfare and lodging should adhere to established District guidelines.
- (h) For overnight trips, budgeted per diem will be determined according to the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)) reduced on a prorated basis for meals provided by the conferences.
- (i) If the sponsor of the proposal has organized a similar trip in the past, the students planning to attend the trip for the first time must be given priority.
- (j) When using personal vehicles to drive other students/participants, a copy of all drivers’ licenses, registration, and proof of insurance must be provided with the proposal for Risk Management.

- (2) Clubs
  - (a) The purpose of club trips must be related to the mission of the club.
  - (b) For a club trip, the club's ICC allotment may count towards the club's monetary contribution to the trip.
  - (c) Funds from a club's special account, if available, should be used in financing the trip.
- (3) A.S. Directors
  - (a) The A.S. will fully fund the General Assembly in the fall semester each year for the Director of Student Advocacy and the President and in the Spring semester each year for the Director of Student Advocacy, the Director of Student Advocacy-elect, the President and the President-elect, if possible.
  - (b) In addition to (a), every Director may be fully funded to attend one leadership conference per year, up to a maximum of \$2,000 per director. Any costs in excess of \$2,000 are the responsibility of the director.
  - (c) In addition to the cost of the Directors, the A.S. will fund the totality of the costs for the advisors required.
  - (d) Any additional conferences that the Board approves, directors will be required to follow the guidelines stated in Section D: Fieldtrip General Provisions.

#### **SECTION E: Campus Events and Projects**

- (1) The cost of food or any other items, if intended to be sold at the event, will not be funded beyond the amount allowable for clubs per Article IV, Section B, #3. Furthermore, any items donated to an event by the Associated Students may not be sold.
- (2) All contracts for services must be signed by the vendor and the Dean of Education Enterprise prior to submission of the requisition.
- (3) All performers must sign and abide by the A.S. content agreement within the contract packet.
- (4) A.S. will not issue payment for services not yet rendered except for reasonable contractual deposits.
- (5) Any related party transactions (relatives or friends to anyone on the A.S. Board, Club Members, or other interested parties to a proposal) must be disclosed on the proposal and must include evidence of professionalism in the field by the individual to be hired.

#### **SECTION F: Equipment and Supplies**

- (1) "Equipment" shall be defined as specialty items that are purchased for a longer-term and used for particular purposes (e.g. calculators, printer, easels, telescope, etc.).
- (2) "Supplies" shall be defined as general purpose consumable items that are typically used up during the year (e.g. poster board, paper, paint, socks, etc.).
- (3) All proposals for equipment must include a signed A.S. Inventory form from the advisor.
- (4) Any equipment purchased by a club must be secured with the club's advisor. The advisor is responsible for the storage, tracking, and reporting the status of the equipment.
- (5) The club officers and/or advisor could be held financially responsible for any damage or loss due to negligence, carelessness and/or misuse.
- (6) Each club advisor must provide an equipment log to the A.S. annually at the end of spring semester for all new purchases in the academic year.
- (7) If a club remains inactive in I.C.C. for more than one (1) year, the advisor must return any equipment that the club purchased to the Associated Students.

#### **SECTION G: Department Requests**

- (1) "Departments" shall be defined as those SMC entities that are nonstudent groups or clubs.
- (2) The Department representative must attend the finance committee and A.S. Board meeting in which the proposal is being considered.
- (3) Departments are encouraged to seek A.S. input on all events, projects, and purchases during the planning process and before submitting the proposal.

## ARTICLE IV: ICC ALLOTMENTS

### SECTION A: Entitlement and Allocation Formula

- (1) Each club is entitled to a semester allotment to spend for the use of activities related to the mission of that club. The Associated Students intends to fund each club up to \$600 per semester dependent upon fiscal receipts, the number of clubs installed and the dates of club installments. Amount of funding is not, however, guaranteed.
- (2) Allotments will be prorated based on the club's installment date.
- (3) Any club's unused ICC Allotment from the fall semester will rollover to the spring semester upon re-installation of the same club in the spring. Unused club allotments do not rollover into the next academic year.
- (4) At the outset of every year, the ICC Officers will meet with the A.S. Budget Manager and the Office of Education Enterprise's designee to establish the annual ICC allotment plan relative to fiscal policy guidelines and availability set forth here.

### SECTION B: Guidelines

- (1) Induction ceremonies, end of the semester activities, and award ceremonies may only be funded from the ICC Allotment and/or a club's special account. No additional funding will be provided.
- (2) The ICC allotment may not be used for donations to any organizations or causes, including volunteer organizations and relief funds. For such purposes the clubs are encouraged to conduct fundraisers.
- (3) Up to \$200 of the ICC allotment may be used for club fundraising projects per semester. Items approved for giveaways must not be sold.
- (4) The allotment can be used to purchase food or drinks for the club's meetings no more than two times per semester.
- (5) A proposal to use funds from a club's allotment to purchase club-themed clothing or other items for promotional purposes should be submitted no later than the ninth (9) week of the fall and spring semesters and should adhere to the price limit guidelines established by the Finance Committee.

## ARTICLE V: Management and Upkeep of Fiscal Policy

The A.S. Finance Committee may recommend amending the Fiscal Policy once per year. Recommended amendments must be approved by the A.S. Board of Directors with a 2/3 vote. The A.S. Fiscal Policy may not be changed the Fall semester after the Spring semester has been amended.