

POLICY CONCERNING CORPORATE BUDGET

PURPOSE

The following policy is to provide guidance over budgeting of goods and services to ensure that all risks are effectively managed on behalf of Associated Students Inc. (ASI). This policy outlines fees, budget guidelines, and general budget timeline. The corporate budget is set during an annual budget allocation. Capital expenditures are approved during an annual request process. See specific procedures for detailed financial processes.

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WHO SHOULD KNOW THIS POLICY

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|---|---|
| <ul style="list-style-type: none"> ■ Budget Area Administrators ■ Management Personnel ■ Supervisors ■ Elected/Appointed Officers | <ul style="list-style-type: none"> <input type="checkbox"/> Volunteers <input type="checkbox"/> Grant Recipients ■ Staff ■ Students |
|---|---|

DEFINITIONS

For Purpose of this policy, the terms used are defined as follows:

Terms	Definitions
Capital Expenditure	A capital purchase is any purchase of a single item or combination of like items with a total value equal to or greater than \$5,000 and an estimated life of greater than one year.
Category I Fee	Systemwide mandatory tuition and other fees that must be paid to apply to, enroll in, or attend the university, or to pay the full cost of instruction required of some students by statute.
Category II Fee	Campus mandatory fees that must be paid to enroll in or attend the university.
Category III Fee	Fees associated with state-supported courses. Specifically for materials and services used in concert with the basic foundation of an academic course offering.

Category IV Fee	Fees, other than Category II or III fees, paid to receive materials, services, or for the use of facilities provided by the university; and fees or deposits to reimburse the university for additional costs resulting from dishonored payments, late submissions, or misuse of property or as a security or guaranty.
Category V Fee	Fees paid to self-support programs such as extended education, Cal State Online extended education offerings, parking and housing including materials and services fees, user fees, fines, and deposits. Self-support programs are defined as those not receiving state general fund appropriations; instead, fees are collected to pay the full cost of a program. Costs of self-support instructional programs include support and development of the academic quality of the university.
Category VI Fee	Systemwide voluntary fees.
Chancellor’s Executive Order	A rule or order issued by the CSU Chancellor for the system to follow
Contingency	A funding source intended to support unexpected or supplemental needs not anticipated during the annual budget process, including new proposals.
Depreciation	The systematic allocation of the cost of a fixed asset over its useful life, which is reflected in the operating statements.
ICSUAM	Integrated California State University Administrative Manual

STANDARDS

1. CALIFORNIA STATE UNIVERSITY FEES

a. Background

The California State University (CSU) Board of Trustees provides policy guidance for all matters pertaining to student fees and has authority for the establishment of Category I to VI fees, and oversight and adjustment of Category I fees, pursuant to the Working Families Student Fee Transparency and Accountability Act (commencing with California Education Code Section 66028).

The CSU Chancellor does not have delegated authority for Category I fees, but the chancellor may approve individual campus tuition fee rates that do not exceed the maximum fee rates established by the CSU Board of Trustees. The inflationary adjustments will not be considered automatic on an annual basis and must have consultation from California State Student Association (CSSA) before any inflationary adjustments are made. The chancellor is the delegated authority for the establishment, oversight and adjustment of Category II, Category III, and Category V (specifically the Cal State Online fees for Extended Education offerings). The chancellor is the delegated authority for the oversight and inflationary adjustment of the Category VI Student Involvement and Representation Fee.

Each university president does not have delegated authority to establish Category I or Category II fees, or to adjust Category I fees. The university president does have limited authority to establish or adjust Category III fees only within a range established by the chancellor as shown in the CSU Chancellor Fee Policy. The university president is the delegated authority for the establishment, oversight and adjustment of Category IV and Category V fees (with the exception of Cal State Online fees for Extended Education offerings), and for the oversight and adjustment of Category II and III fees.

b. Associated Students Inc., CSU Fullerton Fees

Associated Students Inc. follows California Education Code Section 89300, et seq, together with system and campus policy, to authorize a process for the setting Category II mandatory student fees upon which the corporation relies as a student body organization. The student body election process is separate and distinct from the student leadership selection, referendum, and initiative processes utilized by the corporation.

Fees utilized by student body auxiliary organizations must adhere to the Integrated California State University Administrative Manual (ICSUAM) Section 1300 CSU Auxiliary Organizations Compliance Guide and CSU Fullerton President Directives.

c. Collection and Disbursement

California Code of Regulations, Title 5, Section 41409, requires the University to collect applicable Category II fees and periodically disburse them to the corporation. The ASI Board of Directors establishes requisite standards and procedures for the administration of such fee funds.

2. BUDGET GUIDELINES

The ASI Operating Budget is set during an annual budget allocation which includes capital expenditures that are approved during an annual request process. The fiscal year is operated from July 1 through June 30 of the subsequent year.

ASI Financial Services manages ASI funds; state and federal appropriations grants and contracts; mandatory student fees; gifts; and income from ASI operations. ASI budget requests are reviewed by the ASI Executive Director for exposure to high-risk liability.

Limitations:

- Firearms, ammunition, alcohol, tobacco, and other items prohibited by CSU policies and applicable laws and regulations are also prohibited by ASI.
- Academic departments or other non-student governed administrative entities are not eligible for ASI funding with the exception of ASI approved partnerships.
- ASI funds may not be used to support or oppose any candidate for political office or ballot measure proposed to the people of California or the United States, per California Education Code Section 89300 and California Code of Regulations Section 42659.
- Sponsored charity or community service organizations awarded ASI funds must be registered nationally as a 501 (c)(3) organization, as per United States federal tax code.
- Only recognized organizations affiliated with funded and funding councils are eligible to receive an ASI budget.

3. CAPITAL EXPENDITURES

Capital expenditures are costs incurred to acquire or construct a capital asset. A capital purchase is any purchase of a single item or combination of like items with a total value equal to or greater than \$5,000 and an estimated life of greater than one year. All capital expenditures approved during the capital request process are subject to ASI Board of Directors approval.

4. GENERAL TIMELINE

The ASI Operating Budget shall be created annually and will include funding for all mandated programs. The development and approval of the budget is as follows.

a. Fall semester

During the fall semester ASI budget administrators:

- Assess prior year spending
- Estimate new initiatives
- Prepare and submit a departmental budget projection for the next fiscal year to ASI Financial Services for review by ASI Administration

ASI Treasurer of the Board of Directors will send out a budget orientation packet by December to all student government and programming entities.

b. Winter intersession

During the winter intersession student government and programming entities:

- Collaborate with ASI and organizational advisors to prepare a budget proposal for the next fiscal year.
- Submit their budget proposal to the Treasurer of the Board of Directors by February 1.
 - Budgets that are not submitted by the deadline may not receive funding.

c. Spring semester

During the spring semester:

- The ASI Finance Committee conducts budget deliberations February through March.
- The Treasurer of the Board of Directors prepares the budget in consultation with the ASI President, Chair of the Board of Directors, Executive Director, and ASI Administration.
- The Operating Budget must be approved by the ASI Board of Directors no later than the week following Spring Recess.
- ASI Board of Directors must submit the Operating Budget to the University President by May 1.

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