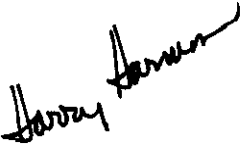


THE CALIFORNIA STATE UNIVERSITY AND COLLEGES
Office of the Chancellor
400 Golden Shore
Long Beach, California 90802
(213) 590- 5512

Date: December 15, 1981
To: Presidents
From: Harry Harmon 
Executive Vice Chancellor
Subject: Associated Students' Budgets --
Executive Order 369

I am transmitting to you five (5) copies of Executive Order 369 relating to procedures for preparation, review and approval of Associated Students' budgets. This Executive Order, which replaces Executive Order 288, is the result of extensive consultation with the campuses and is based upon recommendations of a systemwide review committee appointed by the Chancellor. The revisions are intended to facilitate Associated Students organizations' budget processes and decisions within the framework of Trustee or campus policy.

In accordance with policy of The California State University and Colleges, the campus President has the responsibility for implementing Executive Orders where applicable and for maintaining the campus repository and index of all Executive Orders.

HH/ms

Attachment

Distribution: Vice Presidents, Academic Affairs
Vice Presidents, Administration
Presidents, Associated Students
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Chancellor's Office Staff
Legislative Analyst
Administration Information Center

THE CALIFORNIA STATE UNIVERSITY AND COLLEGES
Office of the Chancellor
400 Golden Shore
Long Beach, California 90802

Executive Order No.. 369
Title: **Procedures for Preparation, Review and Approval of Associated Students' Budgets¹**
Effective Date: **January 1, 1982**
Supersedes: **Executive Order 288**

This Executive Order is issued for the purpose of outlining procedures by which presidents shall review the budgets of Associated Students organizations as required by Section 42402 of Title 5 of the California Administrative Code.

A. BUDGET PREPARATION

While each campus with a mandatory student body fee has its own particular procedures for preparing the student body budget, the following elements shall be included:

1. The budget shall be prepared by students with appropriate campus consultation.
2. A representative of the campus president shall serve as liaison to the students involved in the budget preparation to facilitate the final review process. The representatives should be sufficiently involved in the budget preparation so as to be aware of the items funded or not funded in the budget along with reasons for their funding or absence of funding.
3. The budget preparation process shall include an opportunity for persons or groups presenting budget requests to be heard by the student budget officer, the committee preparing the budget, or the student legislative body.
4. The student legislative body shall review the budget, hear appeals of the recommendations of the student budget officer or committee, and approve the budget according to campus procedures.
5. The recommendations of the officer or committee preparing the budget and the legislative body shall be in conformity with applicable provisions of law.
6. Upon approval by the student body organization, the budget shall be forwarded to the campus president² with any appropriate explanations no later than eight weeks prior to the end of the Associated Students' fiscal year.

¹ Associated Students' budgets are governed specifically by Education Code Sections 89300 ff and by the California Administrative Code, Title 5, Sections 42402 and 42659.

² In these procedures the term "campus president" or "president" shall be understood to include any other administrative officer to whom the campus president may have delegated the authority for approving the annual Associated Students' budget.

B. BUDGET APPROVAL

The budget approval process involves review and action by the campus president. The president may: 1) approve the proposed budget unchanged; 2) defer approval pending further discussion; 3) approve with the exception of vetoed items; or 4) disapprove the entire budget for cause. Subsequent to budget approval, the president may also: 5) disapprove a previously approved budget item, budget language, or a proposed amendment to the budget. The president shall act on the budget submitted by the Associated Students within ten (10) campus working days following receipt by the president.

Each of these actions involves a procedure as follows:

1. *Approval:* The campus president approves the budget and returns it to the appropriate student body officer with a written notice of approval.
2. *Deferral of approval pending further discussion:* The campus president, in order to maintain program continuity or to comply with applicable law or published Trustee or campus policy or to honor a legal obligation, may identify items not included for funding which have been funded in the prior year's budget or items which have been reduced substantially. The phasing of programs in or out would be part of the further discussion contemplated by the deferral of approval in order to allow opportunity to seek alternative funding or maintain or reduce funding as appropriate.
 - a. Should the campus president defer approval pending further discussion, the president and the appropriate representative of the student body organization will discuss the reasons for deferral in order to determine whether a mutually acceptable resolution can be achieved. This should be accomplished within five (5) campus working days.
 - b. If a resolution cannot be reached, the campus president shall refer the issue within ten (10) campus working days to a review board for hearing (section D). The review board has ten (10) campus working days to prepare its recommendations.
 - c. The review board, after considering the issues, shall recommend in writing specific action to the campus president.
 - d. If the campus president disagrees with the recommendation of the review board, written reasons for such disagreement shall be provided to the appropriate representative of the student body organization within ten (10) campus working days following receipt of review board recommendations.
3. *Approval with exception of vetoed items:*
 - a. The campus president may veto specific items or language in the budget for cause pursuant to Section 42402, Title 5, California Administrative Code, and shall provide written justification to the appropriate representative of the student body organization. If the budget item or language is in conflict with applicable

law, published Trustee or campus policy, or a legal obligation, the president shall veto the item. The veto of a particular item shall not preclude implementation of other budget items.

- b. The president shall approve the budget with exceptions indicated and return the budget with written rationale for items vetoed.
 - c. The student body organization may accept the president's action and shall notify the president in writing of its acceptance.
 - d. The student body organization may disagree with any or all of the items vetoed and shall notify the president in writing of the reasons for its disagreement.
 - 1) In the case of a disagreement, the president shall convene the review board within ten (10) campus working days to examine the facts. The review board shall recommend a resolution within ten (10) campus working days to the president. (See section D.)
 - 2) If legal questions are involved, advice of counsel should be sought.
 - 3) If the president disagrees with the recommendation of the review board, written reasons for the disagreement shall be provided to the appropriate representative of the student body organization within ten (10) campus working days of receipt by the president of the review board's recommendations.
4. *The president disapproves the entire budget for cause:* Disapproval of the entire budget by the president may be justified only when the budget appears to have been formulated as a result of fraud or coercion or that the budget fails to maintain fiscal integrity³ or fails to comply with applicable law, published Trustee or campus policy or fails to honor a legal obligation. In such cases the president shall return the entire budget disapproved, stating in writing the reason(s) for disapproval with specific points supporting alleged violations.
- a. If the student body organization agrees with the president's veto, the students shall immediately prepare a new budget addressing the president's objections.
 - b. If the student body organization disagrees with the president's veto, the review board shall be convened following the procedures outlined in section B. 3.d.
 - 1) The review board may recommend:
 - a) preparation of a new budget; or
 - b) veto of part of the budget with approval of the remainder; or
 - c) approval of the budget as presented.

³Fiscal integrity means solvency of the Associated Students' organization.

The review board shall forward its recommendations to the president within ten (10) campus working days after it receives the budget.

- 2) The president shall provide to the Associated Students, in writing, a final decision on the student budget within ten (10) campus working days after receiving the recommendations of the review board.
5. *The president disapproves a previously approved budget item, budget language or a proposed amendment to the budget:*
- a. The president may disapprove a previously approved budget item, budget language or a proposed amendment to the budget for cause pursuant to section 42402, Title 5, California Administrative Code and shall provide written justification for the disapproval to the appropriate representative of the student body organization. If the budget item or language is in conflict with applicable law, published Trustee or campus policy, or fails to honor a legal obligation, the president shall disapprove the item.
 - b. The student body organization may disagree with any or all of the items disapproved by the president and shall notify the president in writing of the reasons for its disagreement.
 - c. If the student body organization disagrees with the president, the review board shall be convened following the procedures outlined in section B. 3.d.

C. INTERIM BUDGET PROCEDURES

If following these procedures does not result in a mutually acceptable resolution and the budget is at an impasse, the authorizations contained in the previous budget shall be used until the new budget is approved.

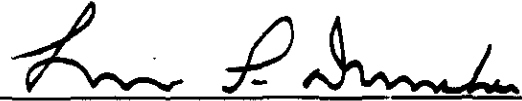
D. BUDGET REVIEW BOARD

Each campus shall establish a budget review board which shall be convened annually in advance of budget preparation to become familiar with these procedures. The following individuals or their representatives shall comprise the membership of the review board:

1. The Associated Students' President
2. Dean of Students
3. Campus Academic Senate/Council designated representative.
4. Associated Students' designated fiscal/administrative officer
5. Chief fiscal officer of the campus
6. Chair of student budget committee (or the equivalent).

E. REVIEW OF PROCEDURES

These procedures shall be reviewed by the Chancellor as soon as possible after July 1, 1984.



Glenn S. Dumke, Chancellor

Date: December 15, 1981