



ASSOCIATED STUDENTS OF CAL STATE LA, INC.

Financial Policies

Recognized Student Organization Banking Policy

1. PURPOSE

The purpose of this policy is to provide direction for the banking, cash handling, spending, and financial oversight of recognized student organization funds in compliance with California State University, Los Angeles and CSU policies.

Recognized Student Organizations (RSOs) generate funds through a variety of methods including (but not limited to) dues, prizes/awards from competitions, fundraising, and donations. Monies collected in the name of the student organization for its activities must be used exclusively for the purpose of furthering the student organization's goals and objectives.

2. REFERENCES

- [ASI Financial Policies](#)
- ASI Funding Price List
- California Education Code
- [Cal State LA Policies and Procedures](#)
- [California State University Policies](#)
- [ICSUAM - Administration of Student Organization Funds](#)
- [EO 1668- Student Activities](#)
- [Cal State LA Student Organization Handbook](#)
- [Cal State LA Student Organization Funds Administration Policy](#)

3. DEFINITIONS

- Recognized Student Organization (RSO): Student organization formally recognized by the campus under EO 1668
- Auxiliary: A recognized CSU auxiliary organization (e.g. Associated Students, Inc.) that may hold student organization funds under campus policy.
- On-campus banking: Funds held in accounts designated for RSOs.

4. AUTHORITY

- 4.2. Authorized RSO Banking Manager - Associated Students of Cal State LA, Inc.
- 4.2.1 ASI is the auxiliary organization designated by California State University, Los Angeles to accept and administer university funds as an agenda of the university for the recognized student organizations.
 - 4.2.1.1. This designation is authorized through the Memorandum of Understanding with Cal State LA and Operating Agreement with the CSU Board of Trustees.
- 4.2.2 The RSO's remain under the overall supervision of the University as articulated in EO1068- Student Activities and ASI.
- 4.3. Funds collected in the name of the student organization must be maintained with

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ASI and do not collect interest. Administration of student organization funds by ASI is conducted at no charge.

- 4.4. ASI holds student organization monies under its employer identification number (EIN) and is, therefore, obligated to record revenue and expenses for the student organization in its financial records. In addition, ASI is obligated to meet all regulatory reporting requirements pertaining to such transactions, including the inclusion of the financial activity in tax filings.

5. RSO Account Management Account Eligibility

- 5.2. All recognized student organization funds must be collected and used in relation to programs and services that are connected to the mission of the student organization, as well as the mission, vision, and values of Cal State LA.
- 5.3. All events must be registered through the Nest – meeting, fundraiser, travel, etc. A copy of the approved Event Registration Form is required as one of the supporting documents for deposits and expenditures.
- 5.4. Off campus/external bank accounts are prohibited unless an exemption is granted.
 - 5.4.1 Exemption criteria are as follows:
 - 5.4.1.1. National affiliation requires a separate account and provides documentation
 - 5.4.1.2. The organization is separately incorporated or has its own federal tax status
 - 5.4.2 Exemptions must be approved using the Recognized Student Organization Banking Exception Request Form and requires approval from University Vice President for Administration and Chief Financial Officer.
 - 5.4.3 Student organizations without approved exemptions must transfer their funds into their on-campus account and close the external bank account.
 - 5.4.3.1. Failure to comply will affect the student organization's recognition at Cal State LA.

6. Account Balances

- 6.2. Student organization account balances will roll over from year to year and be accessible upon completion of annual recognition process through the Center for Student Involvement.
- 6.3. An RSO Account Application must be submitted and renewed each academic year to access the account.
- 6.4. Student organizations with negative balance or insufficient funds will not be able to request expenditures or reimbursements until ASI confirms there are sufficient funds in the account.
- 6.5. RSO's are required to present a budget to ASI outlining the intended use of funds in the account each semester. Budgets shall serve as an estimate of the anticipated and planned purchases, programs, and expenses for the RSO.
- 6.6. Budgets and account balances may be considered when the RSO is requesting additional funding from ASI.
- 6.7. If a RSO has not received recognition and the account been inactive for one year (two academic semesters), ASI shall sweep the funds from the RSO account and deposit them into the general account where the funds will be reallocated to recognized student organizations' through ASI's funding process.

7. Revenue

- 7.2. Membership dues and fees
- 7.3. Prizes/awards from competitions
- 7.4. Fundraising
 - 7.4.1 Student organizations may raise funds through item sales, ticket sales, restaurants, or similar means.
 - 7.4.2 Student organization funds may not be raised through the sale of alcohol or tobacco products.
- 7.5. Donations
 - 7.5.1 External tax-deductible donations will be received by University Advancement according to all Cal State LA policies and procedures governing private external fundraising so the donor can receive an acknowledgement for their gift of funds. The funds can then be transferred to the student organization's account.
 - 7.5.1.1. University Advancement is authorized for issuing tax receipts on behalf of the University and ASI for the student organization.
 - 7.5.2 Once donations are deposited into the student organization's account, they may not be retracted for any reason.
 - 7.5.3 Donations shall remain in the student organization's account until they are used. If the RSO is inactive for more than one year, the funds will be swept into the ASI account and be reallocated to other recognized student organizations requesting funds through ASI's funding process.
- 7.6. ASI funding allocations
 - 7.6.1 All ASI funding is subject to availability of funds, annual budget approval, and compliance with established ASI funding policies and procedures.
 - 7.6.2 RSOs seeking ASI funding must submit a funding request through the standard ASI funding process.
- 7.7. All revenue and the collection of cash and cash equivalents by student organizations must follow ASI's cash handling procedures when depositing into their individual RSO account.

Commented [MA1]: This needs to be noted on the donation form, so donors understand this.

8. Expenditures from RSO Accounts

- 8.2. Adequate Funds
 - 8.2.1 All payment requests from RSO accounts must have adequate funds to accommodate the expenditure.
 - 8.2.1.1. RSOs that overdraw their account may lose recognition and may be subject to disciplinary action if the account is not immediately rectified.
- 8.3. The RSO Check Requisition form is used to obtain funds from the RSOs account for the purpose of reimbursing organization expenses or directly paying a vendor for providing services to the organization.
- 8.4. Only authorized signers identified on the RSO Account Application are able to sign and approve expenditures on behalf of the student organization.
- 8.5. All payment requests for reimbursement must include an original itemized receipt. If an original itemized receipt is missing, and after exhausting all efforts at obtaining a receipt, an exception to this requirement can be fulfilled by submitting a Lost Receipt Form.
 - 8.5.1 Receipts that are missing information or are not itemized will require the use of the ASI RSO Lost Receipt Form.

9. Prohibited Expenses from RSO Accounts

- 9.2. Alcohol, tobacco, marijuana, firearms, medications, or any controlled substances
- 9.3. Utilities costs - Telephone, internet, electricity, etc.
- 9.4. Salaries, fees, honorariums for Cal State LA instructors, tutors, or faculty and staff
- 9.5. Purchases intended for personal ownership of individual student organization members

10. Additional Banking Requirements & Limitations

- 10.2. Campus hospitality procedures do not apply to RSOs as they are not connected to the CSU Operating Fund.
- 10.3. The purchase of gift cards, cash cards, and other cash-equivalents are allowed and must provide written documentation including name, email, and if applicable, CIN.
- 10.4. Insurance Requirements- Recognized student organizations may be required to work with University Risk Management and/or Procurement for contracted services and performers to ensure CSU liability and insurance requirements are met.
- 10.5. ASI recommends all recognized student organizations purchasing clothing and merchandise of any kind; to buy such items from a sweatshop free manufacturer that provides proof the business is sweatshop free. ASI can provide recognized student organizations with a list of currently known sweatshop free manufacturers.

11. EQUIPMENT

- 11.2. Equipment which shall be defined as: tangible property that facilitates business operations, such as tools/power tools, machines, computers, network equipment, or non-consumable items with a useful life of over one year that assists a person in achieving an action beyond the normal capabilities of a human.
- 11.3. Written documentation must be included in check requisition paperwork listing who is responsible for the safe operation of the equipment and where/how the equipment will be stored for the student organization.
 - 11.3.1 ASI shall not be responsible for rental or the purchase of equipment.
- 11.4. May only be used for official RSO activities and cannot be loaned for personal use.

12. STUDENT ORGANIZATION TRAVEL

- 12.2. RSOs can attend or engage in academic-related or professional development events that occur off-campus and involve an overnight stay. Not limited to, student organizations that participate in competitions which enhance the prestige of the university locally, nationally, and internationally.
- 12.3. Student organizations may use their individual RSO bank accounts for travel to university approved conferences. The student organization must first submit an event registration form through CSI and receive approval.
- 12.4. Students have to pay up front and will be reimbursed from their RSO accounts upon returning to campus. All original receipts must be submitted to be reimbursed - transportation, lodging, registration fees, and meals.
- 12.5. RSOs must adhere to all applicable CSU and Cal State LA travel procedures and policies. Failure to comply with policies may result in expenses not being reimbursed.

Commented [MA2]: within their individual account, they can get reimbursed for meals

13. PREPAYMENT OF GOODS AND SERVICES FOR RSO'S

- 13.2. RSO's may request ASI's help in purchasing items prior to their event by using the Purchase Agreement Form. Advance purchasing will use the funds in the individual student organization account.

Commented [MA3]: I put this section in because as we discussed they can use their account to pay for registration fees which we do not allow with ASI funding.

13.3. Prepayment shall only apply to goods and services, and registration fees. Other travel expenses and ticket events are not permitted.

14. PROCEDURES

Additional RSO banking procedures are documented in the Administrative Procedures for ASI and are available by request at the ASI Office.

Policy History:

Date Created: TBD