



SAN DIEGO COMMUNITY COLLEGE DISTRICT

Administrative Procedure

CHAPTER 6 – BUSINESS AND FINANCIAL SERVICES

AP 6320.1 Investment of Associated Students Funds

Office(s) of Primary Responsibility:

Dean of Student Affairs

A. Purpose/Scope

The purpose of this procedure is to implement certain provisions of Board Policy 6300 Fiscal Management. The District is committed to insuring the proper use of its assets and resources and reducing the risk of loss or misuse of funds. The purpose of this procedure is to assure that the District's fiscal management is in accordance with the principles contained in Title 5, section 58311, including:

- Adequate internal controls exist.
- Fiscal objectives, procedures, and constraints are communicated to the Board, management and staff.
- Responsibility and accountability for fiscal management are clearly delineated.

This procedure outlines the proper investment of funds by the student body organizations established by SDCCD.

B. Authority

As directed by Education Code § 76063 and subject to SDCCD governing Board action, resolution funds may be deposited or invested in one or more of the following ways:

- a. Deposits in trust accounts at the County Treasury.
- b. Investment certificates or withdrawable shares in state-chartered savings and loan associations.
- c. Purchase of securities authorized for investment by Government Code § 16430.
- d. Funds that are exempt from federal income tax pursuant to IRS Code § 501(c) (3) that are open exclusively to non-profit colleges, universities, and independent schools.

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

C. Loans and Investments

In addition to deposit or investment pursuant to Education Code § 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 (3) years.
- b. Investment in permanent improvements to any SDCCD property including, but not limited to, buildings, parking facilities, gymnasiums, swimming pools, stadiums and playing fields, where those facilities, or portions thereof, are used for conducting student extracurricular activities or student spectator sports, or when those improvement are for the benefit of the student body.

Two or more student body organizations of SDCCD may join together in making an investment in the same manner as is authorized herein for a single 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.

The SDCCD governing Board shall provide for the supervision of all funds raised by any student body organization using the name of the District. The governing Board may also provide for a continuing audit of student body funds by District and/or Contract auditors.

Reference: BP 6320
Education Code § 76063 and Government Code § 16430

Approved by Chancellor:

Date

Constance M. Carroll, Ph.D.

Reviewed by Cabinet on 9-22-09 and approved by concurrence.