



ADMINISTRATIVE PROCEDURE

SAN DIEGO UNIFIED SCHOOL DISTRICT

NO: 2227

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CATEGORY: **Fiscal Management, Associated Student Body**

EFFECTIVE: **1-29-62**

REVISED: **3-15-2002**

SUBJECT: **Student Body Budget**

A. PURPOSE AND SCOPE

1. To define areas of responsibility and to outline administrative procedures governing the development and management of the student body budget in secondary schools.
2. **Related Procedure:**
Sale of industrial technology supplies and materials to students 2155

B. LEGAL AND POLICY BASIS

1. **Reference:** Board policy D-4000, D-4010, D-5000; Education Code Sections 48930, 48936, 48937; State Accounting Procedures for Student Organizations.
2. **Individual school ASB constitutions and bylaws** shall contain a budget philosophy, and general rules and regulations for management of student body funds, including ASB budget and trust fund accounts.

C. GENERAL

1. **Originating Office.** Suggestions or questions concerning this procedure should be directed to the Accounting Department, Finance Division, Administrative Operational Support.
2. **Definitions**
 - a. **Budget:** Financial plan or statement showing anticipated income and expenditures for a given activity or group of activities.
 - b. **ASB budget:** Financial plan for those activities underwritten by Associated Student Body for the benefit of the total student body.
 - c. **Trust fund account:**
 - (1) **Club budget** is an account for activities benefitting members of a specific organization or club.
 - (2) **Special purpose budget** is a fund restricted by the donor for a particular purpose, e.g., scholarship funds, PTA funds, and faculty accounts.

- (3) **Supplemental projects account** is an account established by a specific student group for purchasing supplies and equipment (on occasion through district purchasing procedures) to develop supplemental or school-related projects, e.g., shop trust accounts.

Restriction: If projects are part of regular instructional program, supplies and equipment must be supplied by the district without extra charge.

3. **Budget Philosophy**

- a. **ASB budget** shall be a balanced, dollar-per-item budget. *Overspending is prohibited.*
- b. **The budget procedure** shall provide flexibility for adjustment to meet emergency needs of the school.
- c. **ASB budgets** prepared by May 1 of the preceding school year shall be designed to utilize the income for benefit of students enrolled the ensuing school year.

4. **Budget Development**

- a. **Student-faculty finance committee**, composed of ASB council students, ASB adviser, faculty members, financial clerk, and a management employee, shall be formed to develop a recommended budget.
- b. **A time schedule** shall be established so the preliminary budget may be adopted by May 1, and the final budget, not later than October 1.
- c. **A procedure to request budget consideration** shall be developed for activities and organizations.
- d. **Requests for budget consideration** shall be accompanied by current inventory of equipment and supplies.
- e. **Provision for a reserve** for equipment replacement may be made.
- f. **Contingency fund** for the principal may be established *only* if used for guests and for the benefit of the general student body.

5. **Budget Approval.** The budget shall be approved by governing board of student body. Such approval shall be considered sufficient authorization, without further governing-board action, for making expenditures for the purposes budgeted. Student-faculty finance committee shall present recommended preliminary and final budgets in a form that will include:
 - a. **Summary sheet showing for each activity:** actual total income and expenditures for preceding year, *total* estimated income for new budget year, and planned *total* expenditures for the new budget year.
 - b. **Copy of budget for each activity showing:** All sources of estimated income and planned expenditures, *dollar-per-item*, for the new budget year.
6. **Budget Reporting.** Copies of approved preliminary and final budgets shall be kept on file for audit.
7. **Budget Control**
 - a. **Principal may approve** necessary budgeted encumbrances for next year, following approval of preliminary budget.
 - b. **ASB expenditure requests** shall be submitted on student body requisition signed by originator of request, financial clerk, ASB representative, ASB adviser, and principal. Purchase order number shall be assigned *before* purchase is authorized. Financial clerk's signature certifies that request is authorized and funds are available.
 - c. **Budget revision** approved by student council must precede expenditures for items not included in the budget, or for overexpenditures for items budgeted. *Overexpenditures should be avoided.* (C.3.a.)
 - d. **Authorization for expenditures** expires at end of the fiscal year, except when funds for expenditures are encumbered by outstanding purchase orders. Purchase orders carried over to the next fiscal year (July 1-June 30) shall be liquidated by November 30.
8. **Expenditures**
 - a. **Under a system of budgetary control**, budgeted expenses become appropriations against which actual expenditures are charged. If appropriations are exhausted before a budget period expires, additional appropriations must be

approved *prior* to making expenditures. An exception is shop trust account, in which a negative balance is authorized if approved by principal.

(**Explanation:** Students building projects not required by instructional program, purchase materials at or near cost. Materials must be on hand before a project is started and cannot be ordered through instructional supply budget, which usually is already encumbered. ASB may lend money to the trust account, thereby creating a "revolving fund" that is reimbursed as materials are sold to students. Sales taxes must be paid to vendors on the cost price since materials and equipment are sold to students at, or near, cost. These sales taxes shall not be included in quarterly sales tax report to cashier. (Procedure 2155))

- b. **Trust Fund Accounts.** Requisitions for expenditures from trust accounts require signatures of activity sponsor, student chairman of specific club or group, financial clerk, and principal or vice-principal. (Faculty funds, while called trust accounts, are exempt from this procedure.) Trust fund and club accounts should never have a negative balance.

9. **Deposits**

- a. **Student groups** depositing funds in a student body account shall be required to submit a budget plan for approval *prior* to any expenditures (preferably at beginning of school year). If not feasible, a form requesting authorization to expend funds may be used to show status of account and purpose of proposed expenditure.
- b. **Groups other than student groups** depositing funds in special purpose trust accounts must have approval of principal and additional members whom he/she may designate prior to expenditure

D. **IMPLEMENTATION**

1. **Student-Faculty Finance Committee**

- a. **Disseminates** a budget request form to each ASB activity requesting ASB funds; includes copy of activity's budget for past year.
- b. **Requests** that actual figures be substituted for budget figures, and using this information to prepare budget for next school year.

2. **Organizations and activities requesting ASB funds** make tentative budget estimates of income and expenditures in sufficient detail to give finance committee a full understanding of needs.
3. **Student-Faculty Finance Committee**
 - a. **Examines** all budgets in advance to determine practicability; makes certain that budgets of various groups and activities are coordinated and in harmony with each other.
 - b. **Reviews** estimates of income and expenses; returns budget for adjustment, if necessary.
 - c. **Incorporates** budgets into a total and *balanced* ASB budget.
 - d. **Attaches** signed summary sheet to completed budget; forwards to student council for action.
4. **Student Council**
 - a. **Deliberates** on completed ASB budget; approves or disapproves the budget and records such action in minutes of the ASB council meeting, and on cover sheet of the budget.
 - b. **Obtains** signatures of ASB president and principal on budget cover sheet; duplicates ASB budget and disseminates to:
 - (1) Activity sponsors concerned.
 - (2) Principal and other management employees as necessary.
 - (3) ASB files for audit.

E. FORMS AND AUXILIARY REFERENCES

1. Student Body Requisition, Stock Item 22-S-7955
2. ASB budget forms (see attached samples)

SUBJECT: **Student Body Budget**

NO: **2227**

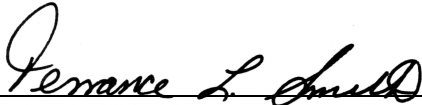
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F. REPORTS AND RECORDS

G. APPROVED BY



Chief of Staff, Terrance L. Smith
For the Superintendent of Public Education