

GUIDELINES FOR THE ESTABLISHMENT OF ACCOUNTS FOR CLUBS, TRUSTS OR DONATIONS

Student Club Funds

Student Club Funds are funds held in trust by the District for organized student clubs. Each club disbursement must be approved by each of the following:

1. a college employee designated as being responsible for disbursement of student funds;
2. the certificated employee who is the designated advisor of the club; and
3. a student representative of the club.

Minutes from the student club showing the authorized amount are also required as backup before disbursement takes place.

When a set of accounts is requested for the establishment of a new club, please include with the request for a new account:

1. the bylaws of the club; and
2. the names of the three individuals authorized to approve disbursement of funds.

Trust Funds

Each college is provided a separate bank account to deposit and disburse nonexpendable trust funds. Trust funds are monies held in a trustee capacity as an accommodation for individuals or organizations exclusive of the instructional program of the college.

Trust funds are established for a temporary purpose. The fund functions much as a clearing account; all monies collected are either expended for the trust purpose or transferred to the organization or individual for whom the trust was established. Prior approval of the Director of District Finance Services must be obtained prior to establishing accommodation or trust accounts.

An example of a trust is "The John Smith Retirement Dinner Trust." In anticipation of dinner and gift cost of \$500 with 50 people attending, a \$10 dinner charge is to be collected for each person attending the dinner. All monies collected are deposited in the trust account. Disbursements are to be made for the gift and to the restaurant. After the dinner, the trust is terminated; any remaining balance is disbursed in accordance with original trust instructions. In this example, the original instructions may have been to disburse any balance to John Smith, or to the college Student Loan Fund. No balance is to be carried in the trust after its purpose has been accomplished.

When an account is requested for the establishment of a new trust, the college business offices should submit with the request for a new account a memorandum which includes the following information:

1. the purpose of the trust;
2. the anticipated termination date;
3. the name of the individual or organization responsible for any over-expenditure;
4. name of payee for any funds remaining in the trust at its termination; and
5. the name of the responsible manager.

Donations

Private contributions, gifts, bequests and/or endowments to be used for college purposes are to be deposited with the respective college's Foundation.