Reserve Account Policy

**Purpose**

This policy is established to set forth guidelines and criteria for the maintaining of adequate account reserves to assure the financial stability and well being of the Associated Students, Inc. (ASI) of California State University, Stanislaus.

**Authority**

This policy is under the authority of the Associated Students, Inc. Senate. Authority and accountability is herewith delegated to the ASI Vice President, Financial and the ASI Director for organization implementation and compliance with this policy.

**Policy**

The ASI of California State University, Stanislaus (CSUS) shall maintain reserves in the following fund categories:

1) General Fund: funds available for ASI General Operating Expenses
2) Designated Funds: funds for specific purposes identified by the Senate

As required by the ASI Finance Code, the ASI Vice President, Financial and ASI Director are responsible for preparing an annual report of the status of all reserve accounts and present to the ASI Senate prior to annual budget approval.

**Account Guidelines**

A. General Fund Reserves

Adequate reserves shall be maintained for emergency and/or unexpected administrative operating expenses and to offset unexpected shortfalls in anticipated income, natural disasters, renovations, technology overhauls, etc…

Minimum reserve level: shall be equal to 120 days of administrative operating expenses as determined by calculating an average over the past three years. This funding level shall be publicly defined at the first Senate meeting of each fiscal year.

The limits defined above will be reached incrementally in order to avoid turmoil and disruption of ASI programs and services. Until minimum reserve level has been met, an allocation of no less than 2% of the unmet target or $2,500.00, whichever is greater, shall be made as part of the annual budget process.
B. Designated Fund Reserves
These reserve accounts are specific in scope of use and are directly related to a designated purpose as defined in the written establishment of the account. Examples: Special Events, Kids’ Camp, Stockton, etc… The establishment or elimination of said reserve account is to be recommended by the ASI Budget Committee and implemented by the Vice President, Financial and the ASI Director with Senate approval.

Minimum and maximum fund amounts must be stipulated in the initial establishment of the reserve account. The written establishment shall include funding sources of the specific reserve account.

Upon reaching maximum fund amount, the remaining funds are allocated to the ASI General Fund.

Authorization of Expenditures

1) General Fund: authorization for any expenditures from ASI General Fund Reserves is to be recommended by the ASI Budget Committee and implemented by the Vice President, Financial and ASI Director with Senate approval.

2) Designated Fund Reserve: authorization for expenditures from designated accounts are directly stipulated in the written establishment of the account.

These guidelines may be amended by a two-third’s vote of the ASI Senate.

Adopted at a regular meeting of the Associated Students, Inc., Student Senate on May 24, 2005.

Signed:

Cesar Rumayor
ASI President

Date

Mario Estrella
ASI Vice President/Speaker

Date