

# 2016-17 Expenditure Guidelines

## Basic Skills, Student Equity, and Student Success and Support Program Effective February 15, 2017



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### KEY STATUTES AND REGULATIONS

Annual allocations of funds under the Basic Skills Initiative (BSI), Student Equity (SE) program, and Student Success and Support Program (SSSP) must be utilized for program implementation as prescribed in California Education Code and California Code of Regulations, title 5. Within these parameters, districts and colleges are afforded the discretion and flexibility to make spending decisions locally. Below are links to applicable code and regulations.

Basic Skills – [California Education Code, section 88815](#)

Student Equity – [California Education Code, sections 78220 and 78221](#)

Student Equity – [California Code of Regulations, title 5, sections 54220 and 51026](#)

Student Success and Support Program – [California Education Code, sections 78210-78219](#)

Student Success and Support Program – [California Code of Regulations, title 5, sections 51024 - 55534](#)

### REASONABLE AND JUSTIFIABLE

All expenditures should be reasonable and justifiable. “Reasonable” means expenditures are prudent and every effort is made to utilize funds efficiently. “Justifiable” means expenditures are consistent with goals and activities related to BSI, SE and SSSP. Colleges are strongly urged to develop policies and procedures to document and justify program expenditures. Developing written documentation prior to the time of expenditure is recommended. This documentation should clearly establish the link between a given expenditure and program goals and objectives.

### ULTIMATE RESPONSIBILITY

Colleges and districts are ultimately responsible for expenditure decisions. BSI, SSSP and SE will be included in the District Audit Manual with the expectation that district-contracted auditors annually review expenditures. Audits may also be conducted by the California Bureau of State Audits, the Chancellor’s Office, or other government agencies with a lawful interest in the expenditure of funds.

### NON-ALLOWABLE EXPENDITURES

The Chancellor’s Office has identified the following non-allowable expenditures for all three programs:

1. Gifts -- funds may not be used for gifts or monetary awards of any kind. Expenditures for a public purpose are not considered a gift of public funds; such expenditures must be coordinated with financial aid departments and be within a student’s cost of attendance.
2. Stipends for Students -- funds may not be used to pay stipends to students for participation in program or classroom activities.

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3. Political Contributions -- funds may not be used to pay for political contributions.
4. Courses -- funds may not be used to pay for the delivery of courses that generate full time equivalent students (FTES).
5. Supplanting -- Any funds spent on these programs should supplement, not replace, general or state categorical (restricted) district funds expended on similar program activities prior to the availability of program funding. This restriction applies to categorical programs and any other federal, state, and county programs.

The Chancellor's Office will not provide an exhaustive list of allowable and non-allowable expenditures, as decisions for each expenditure must be made locally according to program objectives and activities, in addition to the "reasonable and justifiable" criteria outlined above.

### **MATCH FOR STUDENT SUCCESS AND SUPPORT PROGRAM**

Expenditures used to meet the "match" requirement for SSSP are the same types of expenditures that are allowed with SSSP program funds, with the exception of the costs of an FTES-generating course. For example, the course materials and the counseling faculty member's salary/benefits can be counted as match when the outcome of the course is the completion of the students' orientation or an education plan.

Expenditures that support program objectives and activities as outlined in statute and regulation are allowed as match, as they are allowed for program funds. Matching expenditures must meet the "reasonable and justifiable" tests as outlined above. Appropriate assignment of expenditures to meet the match requirement are ultimately the college/district responsibility. Expenditures used to meet the match requirement are also subject to audit as outlined above.

Unless otherwise mentioned, non-allowable program fund expenditures cannot be used to meet the match requirement. In addition to the non-allowable program expenditures noted above, the following expenditures cannot be used to meet the match requirement:

- Categorical Programs -- State student services categorical program expenditures, such as those for Extended Opportunity Programs and Services (EOPS), Disabled Student Programs and Services (DSPS), Cooperative Agencies Resources for Education (CARE), Student Equity or Board Financial Assistance Program-Student Financial Aid Administrative Allowance, may not be reported as part of the district match requirements. These program funds are earmarked exclusively for their expressed purposes as authorized in the Education Code. Exceptions are the federally funded TRIO and Workforce innovation Opportunity Act (WIOA) programs.

Eligible sources of funding for the match include, but are not limited to the following:

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- Federal, State and local funds -- Funds under the control or jurisdiction of the district, as long as these funds are not expressly restricted for use. Examples of “restricted” funds are all other types of California Community Colleges Student Services categorical program funds.
  - Private or Nonprofit funds -- Private contributions or grants used to support the SSSP.