ICSUAM
Section 1000
General
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POLICY OBJECTIVE

It is the policy of the CSU that the development, execution, and management of contracts that obligate the CSU to perform functions, to participate in activities, or that provide access to CSU resources follow an explicit delegation of authority as authorized by the campus president.

POLICY STATEMENT

Contracts, agreements, interagency agreements, memorandum’s of agreements, memorandum’s of understandings, partnerships, alliances, collaborative agreements, or any relationships where the CSU is both acquiring goods or services or supplying (or exchanging) supplies goods, services, facilities, expertise, or other CSU assets and resources are considered Contracts under CSU policy.

All Contracts shall be evaluated as a normal course of campus operation for risk management issues and the overall cost of undertaking such activities. Campuses shall develop, maintain, and promulgate procedures for contract management in conformance with this Policy section, other sections of ICSUAM, CSU executive communications, and other CSU issued policy.

Recommendations related to the management, authority, and execution of contracts whereby the CSU is supplying (or exchanging) supplies goods, services, facilities, expertise, or other CSU assets under this subsection (except for sponsored programs, which is addressed in ICSUAM Section 11000) are provided below as guidelines.

Executive Vice-Chancellor
POLICY OBJECTIVE
Intercollegiate athletic programs shall follow the policies and procedures established by the California State University.

POLICY STATEMENT
Intercollegiate athletic programs at the California State University (CSU), like all other academic programs, are a formally approved curricular activity. They provide opportunities and support for student-athletes to achieve academically and compete athletically. Athletic programs serve as a focal point for school identity and spirit, while complementing the academic, cultural, and social facets of university life for the general student body, faculty, staff and alumni.

The Board of Trustees has the authority for the California State University (CSU) to enter into athletic operations and competition. The Chancellor has been delegated authority from the Trustees to enter into athletic operations and establish such policies necessary for operation. The Standing Orders and resolutions of the Board of Trustees, specific Trustee policy issued via Chancellor's Executive Orders and administrative policy memoranda provides oversight and broad policy formulation for all campuses within the California State University.

Each campus president is responsible for ensuring athletic programs comply with all laws, policies, procedures, rules and regulations, including the standards and procedures established by its’ national governing organization. The president shall establish an athletics council that will include the president, or designee, and a faculty representative. The president will determine the roles and responsibilities of the athletic council, the athletic director and other campus executives regarding management of the intercollegiate athletic program.

Within the Office of the Chancellor programmatic responsibility for the administration of intercollegiate athletic policies and procedures is shared between the Executive Vice Chancellor and Chief Academic Officer and the Executive Vice Chancellor and Chief Financial Officer.

Executive Vice-Chancellor/Chief Financial Officer
1202.00 | ATHLETIC TRADE USAGE (TRADE OUT)

Policy Effective Date: 7/1/2012
Last Revision Date: 7/1/2012

POLICY OBJECTIVE

Ensure athletic trade usage, or trade outs, are recognized as assets of the university and managed and safeguarded accordingly.

POLICY STATEMENT

Trade usage, or trade out, transactions represent an exchange of goods, materials, or services intended to reduce costs for the campus. Such transactions should adhere to all laws and policies, including adequate recordkeeping, for other campus contractual obligations.

It is a fairly common practice in athletic programs to trade game tickets, media time and advertising, and other services and intangible benefits for cars, golf, airline tickets, hotel rooms, restaurant meals and other tangible benefits. This type of bartering is considered “trade usage” (or “trade out”) and should be carefully monitored and recorded.

Government Code 13402 and 13403 require a system or systems of internal accounting and administrative controls so that reasonable assurances can be given that measures to safeguard assets, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies are being followed. The elements of a satisfactory system of internal accounting and administrative control include authorization and recordkeeping procedures adequate to provide effective control over assets.

The CSU is committed to following all applicable laws and regulations, including those laws and regulations that address bartering for the exchange of goods, services, or assets. Campuses may enter into barter agreements with another entity for:

A. Assets/goods provided for services received;
B. Assets/goods provided for assets/goods received;
C. Services provided for assets/goods received;
D. Services provided for services received;
E. The use of fixed assets (property, plant, and equipment) for assets/goods or services received; or
F. The use of fixed assets (property, plant and equipment) received in exchange for the use of fixed assets provided; however, the transfer of ownership of fixed assets under barter agreements is prohibited.

Benefits of the trade usage should not accrue to the personal benefit of any university faculty, staff or student due the potential of the trade usage becoming taxable income to the individual. A personal benefit on a university faculty, staff or student may be found where the value of the benefit received by the university exceeds the value of the benefit provided by the university. For this reason, all trade usage agreement must be reported to the campus designee for Gifts to Agency, for determination if the trade usage agreement constitutes a personal benefit to a faculty, staff or student. Trade usage agreements also may be reportable to university advancement offices depending on the individual policies of the campus. Trade usage agreements are potentially quid pro quo contributions when the value of the items traded exceed the value of benefit provided by the university.

Trade usage agreements must be accomplished in strict accordance with this and related existing university policies and procedures related to contracts (see section 1200). Athletic department heads shall be responsible for the full use, monitoring and reporting of trade usage activity originating in their respective areas. Trade usage agreements between the university and non-university entities are contractual obligations and can only be executed by university staff with specific delegation of authority for such agreements. The department or division eligible to use the traded item or service is responsible for the monitoring and implementing the usage of the
product traded and maximizing utilization of the trade benefits to the university. These records must be maintained in accordance with the campus records retention/disposition schedule.

Executive Vice-Chancellor/Chief Financial Officer
POLICY OBJECTIVE

To provide guidance, clarification, examples and best practices for taxable fringe benefits regarding intercollegiate athletics administration.

POLICY STATEMENT

This policy pertains to fringe benefits derived from athletics programs. Fringe benefits subject to taxation are defined as goods or services that an employee receives by virtue of their employment relationship with the CSU in lieu of or in addition to regular taxable wages. Fringe benefits are part of an employee’s wages unless specifically exempted under the Internal Revenue Code. Sources of such income shall include, but are not limited to, the following:

- University issued automobiles (i.e. courtesy cars);
- Complimentary and discounted tickets;
- Branded clothing and merchandise;
- Services provided to individuals not related to their primary employment activity (e.g. massage therapists, yoga classes, photography services);
- Income sourced from annuities, sports camps, housing benefits, country club memberships, television and radio programs;
- Endorsement or consultation contracts with any outside third-party vendor, manufacturer, or individual, such as athletic shoe, apparel, or equipment manufacturers.

Athletic department employees shall be in compliance with the CSU Conflict of Interest Handbook, and Section 11.2.2 of the NCAA Bylaws, which requires all full-time or part-time athletics department coaching and staff members (excluding administrative assistants or clerical personnel) to provide the Chancellor or campus President a written detailed account of all athletically related income and benefits from sources outside the institution.

Such income shall be taxable to the employee even if he is not the direct recipient of the benefit. This is applicable when fringe benefits are received by an employee’s spouse or child.

The campuses will prepare procedures to ensure that information concerning fringe benefits is properly captured and that tax on such benefits is appropriately computed. Such procedures should include three elements: (1) methods by which fringe benefits are identified and reported, (2) steps for determining the statutory or regulatory provision allowing exclusion of all or a portion of the fringe benefit from the employee’s gross income, and (3) techniques for valuing the portion of benefit that is not excludable and therefore subject to both income and employment tax. Reporting of taxable fringe benefits will conform to the provisions contained in Section N of the SCO Payroll Procedures Manual, IRS substantial authority, and NCAA and athletic conference rules and regulations.

Executive Vice-Chancellor/Chief Financial Officer
1204.00 | CHEERLEADING
Policy Effective Date: 7/1/2012
Last Revision Date: 7/1/2012

POLICY OBJECTIVE
The California State University (CSU) recognizes that cheerleading activities offer a beneficial educational, physical fitness and personal experience to those who participate. Being an activity that may incorporate tumbling, tosses, human pyramids and other physical actions, it is the desire of the CSU to offer cheerleading participants a safe environment while they practice for and participate in cheerleading activities. To that extent, a set of guidelines have been established which shall be followed by those students who are participating and the advisors/coaches in cheerleading programs.

POLICY STATEMENT

100 General Program Guidelines

1. Cheerleading squads shall be placed under the direction of a qualified and knowledgeable advisor or coach certified by its national governing organization.
2. All practice sessions are to be supervised by the advisor/coach and held in a location suitable for the activities of cheerleaders (e.g., use of appropriate matting, away from excessive noise and distractions, etc.)
3. Before being allowed to participate, the participant must read, date and sign the applicable Informed Consent & Assumption of Risk waiver form.
4. Prior to the performance of any skill, the immediate environment for the activity should be taken into consideration including, but not limited to proximity of non-squad personnel, performance surface, lighting and/or precipitation. Technical skills should not be performed on concrete, asphalt, wet or uneven surfaces or surfaces with obstructions.
5. Advisors/coaches should recognize the particular ability level of all participants and should limit the squad's activities accordingly. Participants should not be pressed to perform activities until they are safely prepared.
6. Skills that have not been mastered should be performed only in a supervised practice environment with appropriate safety equipment.
7. Thorough training in proper spotting techniques is mandatory for all squads.
8. All cheerleaders shall receive proper training before attempting any form of cheerleading gymnastics (tumbling, partner stunts, pyramids and jumps) and should be advised not to attempt these maneuvers until given approval by the advisor/coach.
9. All cheerleading squads should adopt a comprehensive conditioning and strength building program.
10. A structured stretching exercise and flexibility routine should precede and follow all cheerleading activities.
11. All programs will qualify cheerleaders according to accepted teaching progressions. Appropriate spotting is to be used until all performers demonstrate mastery of the skill, and when spotting is required by specific rule.
12. In environments where there is close proximity to the athletic event and out of bounds plays pose a significant risk of injury to the participant, no technical skills will be performed while the ball is in play.
13. All partner stunts, pyramids, and tosses will be reviewed and approved by the coach prior to execution.
14. Participation in any Cheerleading activity while under the influence of alcohol or drugs (legal or illegal) is prohibited.

200 General Restrictions

1. The use of any height-increasing apparatus (e.g. mini-trampoline, etc.) other than a spring floor is prohibited for performance.
2. The top person in a partner stunt, pyramid or transition cannot be released from bases with the intent to land or be caught in an inverted body position.
3. An individual may not jump, flip or dive over, under, or through partner stunts, pyramids or individuals from basket tosses, similar tosses, partner stunts or other tosses from hands.

4. Drops (knee, seat, thigh, front, back and split) from a jump, stand or inverted position are prohibited unless the majority of the weight is first borne on the hands/feet which break the impact of the drop.

5. Jewelry of any kind is prohibited (e.g., navel jewelry, tongue jewelry, earrings, necklaces, etc.) Medical bracelets are allowed provided they are taped to the body.

6. Soft-soled athletic shoes must be worn while cheering or competing. Gymnastics shoes, jazz shoes and/or boots are prohibited.

7. Basket and Elevator/Sponge Tosses are prohibited on surfaces other than grass (real or artificial) or a mat.

8. Flipping skills into or from stunts, tosses or pyramids are prohibited on surfaces other than grass (real or artificial) or a mat.

9. Two and one half high pyramids are prohibited on surfaces other than grass (real or artificial) or a mat.

300 Partner Stunts

1. Twisting dismounts with more than a 360 degree rotation require an additional spotter that assists on the cradle.

2. Stunts in which the base uses only one arm for support require a spotter when:
   a. the stunt is anything other than a cupie/awesome or basic liberty. All other one-arm stunts require a spotter (e.g., heel stretch, arabesque, high torch, scorpion, bow and arrow, etc.).
   b. the load-in or dismount involves a twist. The spotter must be in place during the twist and assist on the cradle during twisting dismounts.
   c. the top person is popped from one arm to the other.

3. Single based split catches are prohibited.

4. Flips into or from partner stunts are prohibited, with the following exceptions (These exceptions are limited to one flip and require an additional spotter who assists with the cradle.):
   a. Rewinds (no twisting allowed.)
   b. Front flip dismounts from shoulder height or below to a cradle.
   c. Back flip dismounts from shoulder height double based stunts to a cradle.

5. Leg pitch, toe pitch, walk-in, sponge, and straddle catch front and back flips are prohibited.

6. Twisting dismounts greater than two rotations are prohibited. Exception: side facing stunts such as Arabesque, Scorpion, double full twisting cradles to the front are legal.

7. Front, back and side tension drops are prohibited.

400 Pyramids

1. Pyramids higher than 2 ½ body lengths are prohibited. Pyramid height is measured by body lengths as follows: chairs, thigh stands and shoulder straddles are 1 ½ body lengths; shoulder stands are 2 body lengths; extended stunts (i.e. extension, liberty, etc.) are 2 ½ body lengths. Exception: an extended stunt on top of a thigh stand is allowed.

2. In all pyramids, there must be at least two spotters designated for each person who is above two persons high and whose primary support does not have at least one foot on the ground. One of the spotters must be in the back and the other must be at the side or in front of the pyramid to spot the front. Once the pyramid shows adequate stability and just prior to the dismount, this spotter can move to the back to catch the cradle.

3. Cradles from pyramids over two high must use at least two catchers.

4. Toe touch and twisting dismounts off of pyramids two high or above must use three catchers.

5. All flips into or from pyramids are prohibited, with the exception of a forward flip dismount to a cradle and legal rewinds (see definitions).

6. Front, back and side tension drops are prohibited.

500 Tosses

1. Basket tosses or similar tosses may only be performed from ground level, can use no more than four bases, and must be cradled by three of the original bases, one of which must catch in a scoop under the head and shoulders.
2. Basket and elevator/sponge tosses may not be directed so that the bases must move to catch the top person.
3. Basket and elevator/sponge tosses cannot exceed one flipping and two twisting rotations.
4. In flipping basket or elevator/sponge tosses (tuck, layout, or pike position) only two additional skills are allowed. One twisting rotation is considered to be one skill. Examples:

<table>
<thead>
<tr>
<th>Legal (two skills)</th>
<th>Illegal (three skills)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuck flip, X-out, Full Twist</td>
<td>Tuck flip, X-out, Double Full Twist</td>
</tr>
<tr>
<td>Double Full-twisting Layout</td>
<td>Kick, Double Full-twisting Layout</td>
</tr>
<tr>
<td>Kick, Full-twisting Layout</td>
<td>Kick, Full-twisting Layout, Kick</td>
</tr>
<tr>
<td>Pike, Open, Double Full Twist</td>
<td>Pike, Split, Double Full Twist</td>
</tr>
<tr>
<td>Arabian Front, Full twist</td>
<td>Full-twisting Layout, Split, Full Twist</td>
</tr>
</tbody>
</table>

Note: An Arabian Front followed by a 1 ½ twist is considered to be a legal skill.

5. Basket and elevator/sponge load-ins can land in a stunt or pyramid provided that the toss does not significantly exceed the height of the intended skill. Flips into stunts or pyramids from a basket or elevator/sponge load-in are prohibited.

600 Tumbling

1. Tumbling skills performed over, under or through partner stunts, pyramids or individuals are prohibited.
2. Tumbling skills that exceed one flipping rotation are prohibited.
3. Tumbling skills with two or more twisting rotations are prohibited.
4. Dive rolls are prohibited.

700 Specific Basketball/Indoor Court Rules

1. The following skills are prohibited at basketball and other athletic contests conducted on courts:
   a. Basket tosses, elevator/sponge tosses and other similar multi-based tosses.
   b. Partner stunts in which the base uses only one arm to support the top person.
   c. Flips or released twists into or from partner stunts.
   d. Two and one half person high pyramids.
   e. Inversions in partner stunts and pyramids.
   f. Twisting tumbling skills.

800 Glossary of Cheerleading Terms

Base - A person who is in direct contact with the performing surface and is supporting another person’s weight.

Top - A person who is either being supported by another while off of the performing surface or who has been tossed into the air by another person.

Middle - A person who is being supported by a base while also supporting a top person.

Toss - A movement by one or a group of participant that propels a person into the air so that the person is airborne (i.e., free of contact with the performing surface).

Stunt - A skill in which a top person is supported by a base or bases.

Pyramid - A skill in which a top person is being supported by a middle layer person.

Flip - When a person is airborne while the feet pass over the head.
**Dive Roll** - A forward roll wherein the performer is airborne prior to the beginning of the forward roll.

**Cradle** - Dismount from a stunt/pyramid/toss in which the top person lands in a face-up, semi-piked position.

**Helicopter Toss** - A stunt in which the top person is tossed into the air with the body parallel to the ground and completes a 360 degree horizontal rotation (like the blades of a helicopter.)

**Rewind** - Skill in which the top person starts with BOTH FEET on the ground, is tossed into the air and performs a backward or side rotation into a stunt, pyramid or loading position (this would include a cradle). Flips are limited to one rotation into a pyramid, stunt or loading position and one and one quarter rotations into a flatback or cradle and cannot twist.

**Loading Position** - Any intermediate position below shoulder level that uses continuous motion to put a top person in a stunt or pyramid. Examples: Elevator/sponge load, basket load, smoosh, scoop from the back, etc.

**Flatback** - A stunt in which the top person is in a face-up, straight-body position parallel to the performing surface.

**Height-increasing Apparatus** - Any type of equipment that increases the height of a skill. The above safety rules are general in nature and are not intended to cover all circumstances. All cheerleading gymnastics, including tumbling, partner stunts, pyramids, jumps and tosses shall be carefully reviewed and supervised by a NCAA certified advisor or coach.

The California State University makes no warranties or representations; either expressed or implied that the above guidelines will prevent injuries to individual participants.

The above guidelines were adopted and amended from the American Association of Cheerleading Coaches and Advisors (AACCA). All Cheerleading participants should be thoroughly familiar with and shall carefully abide by the above guidelines.

### 900 Insurance

Limited medical insurance is available through the Athletic Injury Medical Expense (AIME) program with coverage limits to $90,000 per occurrence provided that the injury occurred to a Covered Party participating in a Covered Activity.

Covered Parties are any regularly enrolled student who is a participant on the intercollegiate team roster (and cheer squads) of the participating CSU campus, or is engaged in scheduled activities to become a roster participant of an intercollegiate team of the participating CSU campus.

Covered Activities are those regularly scheduled intercollegiate sports events and the supervised or customary activities within the scope of such sport. Coverage includes the sports listed on the sports census from each participating CSU campus.

Catastrophic medical coverage is provided in excess of the $90,000 limit by the NCAA so long as the injury occurs at a NCAA sanctioned event. Certain coverage limitations, provisions and exclusions may apply. Catastrophic accident medical coverage is provided in excess of the covered accident deductible by the NAIA so long as the injury occurs at an NAIA sanctioned event. Certain coverage limitations, provisions and exclusions may apply.

For events that are not sanctioned by its national governing organization the cheerleading participant must provide proof of medical insurance.

### 1000 Liability Release

Releases of liability ("release") are legal forms designed to transfer responsibility for injuries and property damage from one party to another. A properly administered release can protect the California State University and its employees from liability for injuries that occur to students or other individuals who participate in university activities on and off campus. A release is a valid and reliable legal tool under California law and should be used to provide a level of protection from liability for accidents, activities carrying certain inherent risks, and in certain circumstances the negligence of CSU employees.
All cheerleading participants must read, date and sign the approved waiver of liability pursuant to Executive Order 1051.

**Executive Vice-Chancellor/Chief Financial Officer**
1205.00 | ATHLETIC GROUP TRAVEL
Policy Effective Date: 9/10/2014
Last Revision Date: 9/10/2014

POLICY OBJECTIVE
To provide guidance, clarification, and best practices for group travel for athletic teams and athletic team staff.

POLICY STATEMENT

100 Cash Advances
Athletics staff in charge of teams may request cash advances related to group travel. All cash advances must be settled within a reasonable time period established by the campus but within IRS guidelines. See the CSU G-001 Travel Procedures for further information on untimely resolution of cash advances.

Cash advances should only be allowed for those business situations where a University-issued charge card cannot be used. Cash advances are intended to cover anticipated expenses associated with a particular trip and will not be issued more than 30 days before the date of departure.

Settlement of cash advances is handled through submission of a travel claim showing itemized expenses and associated advances. Claims should include any expenses incurred and reimbursements paid prior to the trip departure date. Travelers may be held accountable for their conduct under any applicable University or campus policies, procedures, collective bargaining agreements, and/or applicable provisions of the California Education Code.

If a trip is cancelled or postponed any associated advances must be returned immediately.

200 Group Team Travel Meals
Snacks are allowable at any time under NCAA rules.

A pre- or post-game meal is allowed. In lieu of a pre- or post-game meal, cash may be provided as an allowance for team members. The amount and timing of the meals and snacks are established in Article 16 of the NCAA Operating Bylaws, which are found in the NCAA Division Manuals.

Cash distributed to student athletes must be acknowledged in writing by the students at the time of receipt and attached to the travel claim form filed by the recipient for the cash advance.

Although not governed by NCAA, group meals may include staff (including medical staff), independent contractors, and volunteers. Cash in lieu of meals is not allowed for these individuals. Established campus policies for such meals should be followed.

300 Team Travel Transportation and Accommodations
Campuses should establish procedures for providing detailed lists of attendees for travel and accommodations. Purchase orders may be prepared and submitted for hotel accommodations as well as airfare, bus, and train transportation.

Excess baggage fees may be paid at the discretion of the responsible CSU employee. Reimbursement for paid fees may be submitted on the travel expense claim.

400 Prospects’ Recruiting Visits
Prospective students, their parents or guardians, and certain staff are allowed hotel accommodations during the recruitment process. The athletic department may pay for transportation, meals and accommodations of recruits and their parents or guardians. Attendees for covered meals may include staff, volunteers, prospects, current
student athletes (1 per recruit), and prospect’s parents or guardians. All elements of prospective student athlete travel and duration of stay shall be conducted under NCAA guidelines.

500 Gifts of Travel
In some cases, gifts of travel can be considered a gift to the campus, in which case it is not considered reportable for the individual, if: the gift does not designate the individual to travel, the gift is used for official CSU business, the gift is reported within 30 days of use, and appropriate approvals are received before use of the gift.

For gifts of athletes’ travel, prior approvals must be obtained in order for the travel to be considered official CSU business and not a personal gift.

Executive Vice-Chancellor/Chief Financial Officer
**1206.00 | INVENTORY CONTROL OF ATHLETIC EQUIPMENT, APPAREL AND GEAR**

**Policy Effective Date:** 7/1/2012  
**Last Revision Date:** 7/1/2012

**POLICY OBJECTIVE**

It is the policy of the California State University (CSU) to set forth requirements for campuses to implement methodologies for the recording and safeguarding of athletic equipment, apparel and gear.

**POLICY STATEMENT**

The campus should establish a documented process for the recording, tracking, and disposal of athletic equipment, apparel and gear that includes the following:

100 **Acquisition of property**

1. All property should be ordered according to the delegated procurement authority and established procurement policies and procedures at each campus.
2. Exclusive provider/endorsement contracts may be negotiated by the appropriate Vice President or Athletic Director, or their designee, and must comply with campus Procurement and Athletic Departments’ policies and procedures.
3. Promotional allotments of goods may be received from vendors. Even though no cost is incurred, this property must be treated as state property and entered into the athletic property inventory database or tracking system.

200 **Receipt/Verification**

All incoming shipments for goods should be delivered to the campus central receiving department. Receiving department personnel should enter receipt of goods into the campus ERP system, and deliver goods to the Athletic Department. Athletics equipment room staff should unpack packages, count and verify contents, tag as required and record data in an inventory database. Property should be stored in secured area(s).

300 **Distribution**

Gear, apparel, and equipment should be distributed in accordance with established Athletic Department policies and procedures with appropriate annotation in the inventory database.

400 **Surplus Disposition**

1. Property which is past its useful life or is no longer needed should be considered surplus property and disposed of following existing campus procedures for the disposition of property.
2. Outgoing Promotional Property – requests to provide athletic gear and apparel to donors, alumni, charitable organizations, etc., shall be submitted via written request by the requesting entity to the respective head coach or other administrator with programmatic authority. Approved requests should be forwarded to appropriate Athletic Department personnel for fulfillment.
3. Donations – follow existing campus procedures for donations of property.

500 **Physical Inventory**

A physical inventory must be performed at least once annually

**Executive Vice-Chancellor/Chief Financial Officer**
POLICY OBJECTIVE

It is the policy of the California State University (CSU) that hospitality expenses may be paid to the extent that such expenses are necessary, appropriate to the occasion, reasonable in amount and serve a purpose consistent with the mission and fiduciary responsibilities of the CSU. This policy applies to activities that promote the CSU to the public and the provision of hospitality in connection with official CSU business and specifies the university and auxiliary funds that may be used for such purposes. Each campus and its auxiliaries are required to develop written procedures, consistent with this policy, regarding the payment of ordinary and necessary hospitality expenses.

POLICY STATEMENT

100 PURPOSE

This policy governs the manner and extent to which the CSU and its auxiliary organizations (auxiliaries) may provide hospitality to employees, students, donors, guests, visitors, volunteers, and other individuals as part of a business meeting; recreational, sporting or entertainment event; or other occasion that promotes the mission of the CSU. The policy also addresses meals served to employees as part of a morale-building function and meals provided to prospective students and employees. Each campus and its auxiliaries may establish more restrictive procedures for the reimbursement of the expenses authorized under this policy.

200 SCOPE

This policy governs the appropriate use of state, auxiliary organization, sponsored program administration, private-purpose trust and agency funds unless legally exempted or otherwise restricted; e.g. documented fund agreements. The CSU and its auxiliaries will comply with additional restrictions when established by funding sources.

300 AUTHORITY

Authority for this policy is pursuant to California Education Code section 89044. This policy is issued under delegation of authority from the Chancellor to the Executive Vice Chancellor and Chief Financial Officer, and implementation and compliance with the policy is further delegated to the campus Chief Financial Officer. California Education Code sections 66600, 89030, and 89035.

400 ALLOWABLE EXPENDITURES

Hospitality expenses must be directly related to, or associated with, the active conduct of official CSU business. When an employee acts as an official host, the occasion must, in the best judgment of the approving authority, serves a clear CSU business purpose, with no personal benefit derived by the official host or other employees. In addition, the expenditure of funds for hospitality should be cost effective and in accordance with the best use of public funds.

When determining whether a hospitality expense is appropriate, the approving authority must evaluate the importance of the event in terms of the costs that will be incurred, the benefits to be derived from such an expense, the availability of funds, and any alternatives that would be equally effective in accomplishing the desired objectives. Following are examples of occasions when the provision of hospitality is permitted under this policy, (fund restrictions still apply):

- The CSU hosts or sponsors business meetings that directly correlate with the operations of the CSU;
- The CSU hosts official guests with an interest in the CSU;
- The CSU is the host or sponsor of a meeting of a learned society or professional organization;
The CSU hosts receptions held in connection with conferences, meetings of a learned society or professional organization, meetings of student organizations and groups, student events such as commencement exercises, and events or meetings of other CSU related groups such as alumni associations;

The CSU hosts or participates in community relations or fundraising events to promote the university, enhance partnerships, recognize distinguished service, or cultivate donors;

The CSU hosts receptions for the benefit of employee morale, employee recognition, official presentations for length or exceptional contributions of service awards, with at least 5 years of service are permissible

401 Employee Meetings

Food and beverage provided to employees may be permitted when it serves a CSU business purpose. Meetings that are carried out on a regular or frequent basis are not permitted under this policy. Additionally, public expenditures that are driven by personal motives are an impermissible use of public funds. Meals or light refreshments provided to employees may be permitted if the expenses occur infrequently, are reasonable and appropriate to the business purpose. When a meeting takes place over an extended period and the agenda includes a working meal, there may be justification that the meal is integral to the business function.

Campus procedures should identify authorization and documentation requirements as well as a maximum per person rate(s) for breakfast, lunch, dinner and light refreshments inclusive of the total cost of food, beverages, labor, sales tax, delivery fees or other service fees. The maximum rates should be reviewed and documented periodically by the Chief Financial Officer or designee.

402 Spouses, Domestic Partners and Significant Others

Hospitality provided to the spouse, domestic partner or significant other of an employee might be permitted when it serves a CSU business purpose such as ceremonial functions, fundraising events, alumni gatherings, athletic games, and community events. An agenda, invitation or similar documentation should be included with the payment record.

403 Students and Prospective Students

Hospitality provided to students or prospective students may be permitted when it serves a CSU business purpose. To justify the expenditures, one must determine that the expenditure is consistent with the mission of the CSU. Permissible activities may include recruitment efforts, student activities, student programs, student organization events, student recognition events and commencements. Students may be hosted to attend fundraising and other community relations events that enhance their learning experience, in recognition of their student achievement, to engage with alumni and donors, or as representatives of elected student leadership. Hospitality provided to student athletes and recruits must be in accordance with the rules, regulations, guidelines, standards and procedures of the intercollegiate athletic association's national governing board; e.g., National Collegiate Athletic Association.

404 Awards and Prizes

CSU Campuses may establish an award program to the extent that such expenses serve a purpose consistent with the mission and fiduciary responsibilities of the CSU and aligns with IRS regulations. Cash and cash equivalent items, such as gift cards and gift certificates, no matter how small, are always taxable to the employee as wages. A non-cash award or prize may have a taxable consequence to the employee if it does not meet the IRS definition of de minimis and infrequent. Refer to IRS for tax rules in resources and materials section. Campus’ written procedures shall document the award program, including eligible awards and per person limits.

500 UNALLOWED EXPENDITURES

501 Personal Benefit

Hospitality expenses that are of a personal nature and not related to the active conduct of official CSU business will not be paid or reimbursed. The California gift of public funds doctrine set forth in the California Constitution, article XVI §6, prohibits the giving or lending of public [state] funds to any person or entity, public or private, unless there is a public purpose. Examples include, but are not limited to, employee birthdays, weddings, anniversaries, and baby showers.

600 ALLOWABLE FUNDING SOURCES

601 State Funds
Unless specifically authorized in the local trust agreement (LTA), State Funds have the following restrictions and uses:

- **State Funds may not** be used:
  - To pay for any expenditure prohibited by applicable laws, regulations, or agreements including the California Budget Act.
  - To pay for food and beverages or entertainment services that do not serve a business purpose.
  - To pay for alcoholic beverages, memberships in social organizations, or tobacco products.

- **State Funds may be used**:
  - To pay for awards and prizes to employees for exceptional contributions, to students for excellence, and individuals to participate in a research funded survey or study.
  - For employee recognition, and official presentations for length of service awards or exceptional contributions, with at least 5 years of service.
  - To pay for official employee morale-building and appreciation activities that serve a business purpose. Campus procedure to define official activities and approval levels.

**602 Auxiliary Organization Funds** - Hospitality expenses may be charged to auxiliaries provided the expense serve a bona fide business purpose. Auxiliary organization funds may be used to pay for alcoholic beverages, formal awards and service recognition, entertainment services, gifts, membership in social organizations and promotional items to the extent these purchases are not restricted by other applicable laws, regulations, or funding source agreements.

**603 Sponsored Programs Administration Funds** - Federal or local government contract and grant funds may only be used to pay hospitality expenses specifically authorized in the contract or grant, or by agency policy. In the event of a conflict between agency and CSU policy, the stricter of the two policies shall apply. Federal Funds may not be used to purchase alcoholic beverages or tobacco products, unless alcohol and tobacco are part of the research.

**604 Private-Purpose Trust and Agency Funds** - Hospitality expenses may be charged provided the expense serves a bona fide business purpose and to the extent other applicable laws, regulations, or funding source agreements do not restrict these purchases.

**700 APPROVAL OF TRANSACTIONS**

Each campus and auxiliary must develop and document appropriate approval processes including:

- Requirements that individuals with delegated approval authority may not approve their own expenses and individuals may not approve expenses of their supervisor. The exception is approval of Chancellor or President's expenditures by the Chief Financial Officer.
- Requirements that payment or reimbursement for attendance at a community relations activity or fundraising event include documentation of the individual names, affiliations, and direct or indirect benefit to the CSU to be derived from the expense.
- The Chancellor, campus president, or designee must approve payment or reimbursement of hospitality expenditures for recreational, sporting or entertainment events.
- The Chancellor, campus president, or designee must approve payment or reimbursement of hospitality expenditures for a spouse, domestic partner or significant other of an employee.

**800 DEFINITIONS**

For the purpose of this policy, the following definitions apply:

**Approving Authority** – a person to whom authority has been delegated in writing to approve expenses for meals, light refreshments, and other amenities described within the policy.

**Auxiliary Organization Funds**– CSU auxiliary organizations are separate legal entities authorized in the Education Code to provide essential services to students and employees. Auxiliary organizations operate in association with campuses pursuant to special written agreements, and are authorized to perform specific functions that contribute to the educational mission of the campus. These organizations are subject to applicable state and federal laws and regulations.
**De Minimis** – Small in value, relative to the value of total compensation. There is no set dollar amount in the law for nominal prizes or awards. (The IRS gave advice at least once, in 2001 that a benefit of $100 did not qualify as de minimis.) ILM 200108042.

**Employee Meetings** – meetings which serve a CSU business purpose and are generally administrative in nature such as CSU systemwide meetings of functional offices, meetings of the Academic Senate, campus meetings of deans and directors, employee morale functions, extended formal training sessions, conferences, extended strategic planning sessions, and meetings of appointed workgroups and committees.

**Hospitality** – is defined to include the following elements:

- **Entertainment Services** – Reasonable expenditures as part of a public purpose event includes, but is not limited to, equipment and venue rental, décor, music, and performers.
- **Food and Beverage** - Reasonable provision of a meal (catered or restaurant) or light refreshments (beverages, hors d’oeuvres, pastries, cookies).
- **Awards and Prizes** - something of value given or bestowed upon an individual, group, or entity in recognition of service to the university or achievement benefiting the university with the expectation of benefit accruing to the university or for other occasions that serve a bona fide business purpose.
- **Promotional Items** – items that display the name, logo or other icon identifying the university such as a keychain, coffee mug, calendar, or clothing.

**Membership in Social Organizations** – university clubs, athletic clubs, civic organizations and other membership organizations that provide a venue for hosting hospitality events or a means for promoting goodwill in the community. Memberships in business leagues, chambers of commerce, trade associations and professional organizations are considered a regular business expense and are not governed by this policy.

**Official Host** – a CSU trustee, auxiliary governing board member, or university or auxiliary employee who hosts guests at a meeting, conference, reception, activity, or event for the active conduct of CSU business.

**Official Guest** – a person invited by an official host to attend a CSU meeting, conference, reception, activity or event. Examples of official guests include employees visiting from another work location, students, donors, recruitment candidates, volunteers, members of the community, or media representatives.

**Public Purpose** - or business purpose include expenses that serve a purpose consistent with the mission and fiduciary responsibilities of the CSU.

**Private-Purpose Trust and Agency Funds** - as defined by EO 1000.

**State Funds** – These are monies that are either appropriated by the legislature, as part of the budget process or continuously appropriated (e.g., tuition and fees).

**Sponsored Program Administration Funds** - Federal, state, local government, and private contracts.

**Student Organizations** - As defined in Executive Order (EO) 1068 – Student Activities, section titled "Formal Chartering and Recognition Policies."

**Work Location** – the place where the major portion of an employee’s working time is spent or the place to which the employee returns during working hours upon completion of special assignments. The employee’s department determines what constitutes an individual employee’s work location for the purpose of these procedures.

**Executive Vice-Chancellor/Chief Financial Officer**
POLICY OBJECTIVE

It is the policy of the California State University (CSU) that university property is properly valued, maintained and safeguarded; that all university property transactions (acquisitions, disposals, etc.) are recorded in an accurate and timely manner; and that all university property procedures are followed. Each campus must establish written procedures that implement this policy.

POLICY STATEMENT

100 Property Definition
For the purpose of this policy and these procedures (see Section 300), property may include but is not limited to the following:
- Equipment
- Intangible assets
- Land and land improvements
- Works of art and historical treasures
- Library books and materials
- Construction work in progress (CWIP)
- Buildings and building improvements
- Improvements, other than buildings
- Infrastructure
- Leasehold improvements

200 Responsibility of the Chief Financial Officer (CFO)
The Chief Financial Officer (CFO) of each campus of the CSU must ensure the following:
- Appropriate resources are allocated and responsibility assigned for proper receiving, tagging, recording, securing, maintaining, tracking, inventorjoring, and disposal of property.
- Procedures are implemented for the timely recording of all property based on normal entry cycles. For example, equipment additions may be required to be recorded each month due to the high volume of transactions, whereas major capital improvements may be recorded annually.
- Procedures are implemented for conducting physical inventory.
- Procedures are implemented for the timely disposal of all property.
- Procedures are implemented that require appropriate approval for the disposal of property and that all rules and regulations are followed in the disposal of property (e.g., hazardous materials, sanitation, etc.).
- All regulations for property obtained from a federal or state grant or contract are adhered to in accordance with the respective requirements such as federal and related state regulations.
- Campuses utilize the CSU Capital Assets Guide as guidance for all property as it relates to capitalized costs, depreciation methods, impairment, and other such issues.

300 Equipment
Refer to "CSU Administration of University Property - Equipment Procedures" for definitions and procedures.

400 Intangible Assets

401 Definition of Intangible Assets
Intangible assets are property which lack physical substance and are nonfinancial in nature but give valuable rights to the owner. They are primarily used for operation rather than for intent to sell. They are not directly used for obtaining income or profit. Intangible assets include but are not limited to:
- Copyrights
- Easements
402 Recording of Intangible Assets
Campuses must evaluate and record all intangible assets in accordance with applicable Governmental Accounting Standards Board (GASB) statement requirements to ensure compliance with GAAP.

403 Sale or Licensing of Intangible Assets
The sale or licensing of intellectual property must be done in accordance with pertinent CSU policies.

500 Gifts of Property

501 Responsibility for the Acceptance of Gifts
The CFO of each campus of the CSU is responsible for ensuring that a documented process is followed for the evaluation, acceptance, and recording of gifts of property to their respective campus in accordance with Executive Order No. 676 or its successor policy.

502 Title
Title to the property gift to be held by the campus or an auxiliary organization must be reported according to the rules promulgated by the GASB or by the Financial Accounting Standards Board (FASB) depending on which standards are used by the entity.

503 Recording Gifts
Generally, FASB and GASB accounting rules require gifts of property to be recorded at fair market value. As such, campuses are required to record such gifts in their property records (or those of the auxiliary organization) using objective criteria.

When property gifts are made between the campus and one of its auxiliaries or vice versa, the transaction must be recorded at historical cost per the CSU Capital Assets Guide.

600 Capital (Fixed) Assets Reporting to the State Controller’s Office (SCO)

601 Legal Basis Fixed Asset Accounting
All campus legal basis fixed asset accounting entries will be recorded in and reported from State Controller Office (SCO) fund 0997, CSU fund 501 – General Fixed Assets Memo Fund. Campuses are not required to record by separate funding type.

602 External Reporting
Any external reporting that requires an alternative display of the capital assets information will be handled by the Chancellor's Office Systemwide Reporting group. Supporting schedules will be retained on file per the CSU Records Retention policy to support reconciliation back to the campus’ book of records.

Executive Vice-Chancellor/Chief Financial Officer