



A u x i l i a r y  
O r g a n i z a t i o n s  
A s s o c i a t i o n

# **COMPLIANCE RESOURCE CATALOGUE**

**2017 Annual Conference  
Edition**

## INTRODUCTION

Over the past several decades AOA has commissioned and published a series of monographs, issue-briefs and practical checklists on matters judged to be important to auxiliary member-organizations – what Stanley Fish would identify as an *interpretative community*: a “community made up of those who, by virtue of training, experience, and practice, have internalized the norms of a purposive enterprise.” We are indeed.

While these writings may initially have circulated at past AOA Conferences or were posted on the AOA website, the complete series has not been archived and kept accessible systematically.

The catalogue category-entries on management, governance and compliance topics are perennial and often present vexing issues. Some writings have been revised from the original, while others, as noted by way of the entry annotation, should be used only as a point of departure for further research and inquiry. None constitute legal or accounting advice. The analysis and conclusions are strictly the author’s own and do not represent positions of any other person or entity.

AOA remains committed to producing timely, practical resource materials. An enhanced website will keep these documents and periodic updates in the hands of auxiliary organization managers.

## CATALOGUE FORMAT

The catalogue entries are grouped by topical categories – each given a document reference number. These categories and the entries within each category should not be viewed as mutually exclusive. Each entry includes the publication title, year published (and any revision year), plus an annotation that briefly describes its nature, scope and *au courant*. The document formats have varied over the years depending on the original audience, type of issue and author(s) at the time.

The catalogue and the publications entered in the catalogue are posted on the AOA website.

Comments, suggestions or questions on the publication series are encouraged and may be directed to Robert Griffin, Legislative & Compliance Advisor: GRIFR@aol.com

## Management Entries

| Doc #       | Title   | Date               | Annotation   |
|-------------|---|--------------------|--|
| <b>M-1</b>  | <b><i>Instruments of Change: The Viability of Auxiliary Organizations in the 21<sup>st</sup> Century</i></b>                  | 1998               | A monograph review of auxiliary organization legal framework, common services, and examples of more innovative support activities leading into the 21 <sup>st</sup> Century as examples for campuses to consider. 12 pages.            |
| <b>M-2</b>  | <b><i>Model Checklist for Developing a Business Plan</i></b>  | 1998               | A comprehensive (but dated) checklist of questions pertinent to writing a business plan. 17 pages.   |
| <b>M-3</b>  | <b><i>Safeguarding Contributions</i></b>  | 2002               | An analysis of safeguarding donor funds held in a multi-function auxiliary organization. Dated. 8 pages.   |
| <b>M-4</b>  | <b><i>Auxiliary Organizations as Fiduciaries: Trusts and The Treatment of Related Assets</i></b>                              | 2003               | This monograph surveys the various roles in which auxiliary organizations receive, hold & administer trust-related accounts. Dated. 22 pages.  |
| <b>M-5</b>  | <b><i>Compensation Comparability: Structuring Auxiliary Organization Compliance</i></b>                                       | 2008<br>(2011 rev) | A comprehensive review of the Ed Code/Title 5 salary & wage comparability requirements; and suggested compliance approaches. 18 pages.   |
| <b>M-6</b>  | <b><i>Auxiliary Services Risk Responsibility Assessment Checklists</i></b>  | 2009               | Background, references and checklists for assessing & managing risks related to auxiliary organization services. Dated. 6 pages.   |
| <b>M-7</b>  | <b><i>Taxable Possessory Interest in Auxiliary Leases?</i></b>  | 2009               | A brief summary of the <i>possessory</i> interest property tax law, how it might be used to assess auxiliary commercial lease interests, and the exemption process. 1 page.  |
| <b>M-8</b>  | <b><i>Professional Fiduciaries Act: Implications &amp; Suggestions for Auxiliary Organizations</i></b>                        | 2009               | An Issue Brief summary of the PFA with suggested compliance action.<br><b>Note: PFA was amended by AB 997 in 2011 to exclude planned/trust gifts administered by charitable organizations (including auxiliary organizations).</b>     |
| <b>M-9</b>  | <b><i>Unrelated Business Income Tax Rules: Application to Membership and User Fees Charged by Auxiliary Organizations</i></b> | 2009               | Monograph review of auxiliary legal framework; UBIT rules & exemptions; typical fee charged activities; and documentation/reporting techniques. 22 pages.  |
| <b>M-10</b> | <b><i>Redaction Techniques: A Guide for Editing Protected Records Prior to Release for Information Requests</i></b>           | 2011               | This guide summarizes techniques & methods for editing of organization records containing both disclosable & protected material in response to a records access request under policy & practices of the organization. Dated. 12 pages. |
| <b>M-11</b> | <b><i>Records Access Guide for Auxiliary Organizations</i></b>  | 2012               | Guide summarizes status of access requirements for records held by auxiliary organizations (including McKee Act); typical document access schedules; and sample policy. Dated. 25 pages.   |

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| <b>M-12</b> | <b><i>Understanding the Critical Section 509(a) Classification</i></b>  | 2012               | The §509 classification in federal tax law should be carefully sought & periodically reviewed. This Issue Brief provides background and summarizes the several “public charity subsets.” 2 pages.  |
| <b>M-13</b> | <b><i>Express or Implied Requirements for Auxiliary Organizations as Tax-Exempt Nonprofit Public Benefit Corporations</i></b> | 2012               | A comprehensive matrix of the major statutory & regulatory requirements for auxiliary organizations. Included are cross-walk references to related requirements of auxiliary organizations in the Ed Code & Title 5, with commentary footnotes. 5 pages. |
| <b>M-14</b> | <b><i>The Appropriate Generally Accepted Accounting Principles for Auxiliary Organizations</i></b>                            | 1999<br>(2014 rev) | Monograph tracing evolution of nonprofit financial standards; analysis of GASB documentation; model tier-testing to judge GASB or FASB. 9 pages.   |
| <b>M-15</b> | <b><i>Auxiliary Organization Transparency Guidelines</i></b>  | 2013               | A matrix of the key corporate documents to be given public access by auxiliary organizations. 1 page.  |
| <b>M-16</b> | <b><i>Auxiliary Organization GAAP Determination-Analysis Sequence</i></b>   | 2014               | Brief summary of the analysis sequence for determining use of FASB or GASB. 1 page.  |
| <b>M-17</b> | <b><i>Payments to Student Officers &amp; Directors: An Analysis</i></b>   | 2007<br>(2014 rev) | Monograph analyzing methods/legal frame for payments to student governing board members & officers, including undocumented students. 11 pages.   |
| <b>M-18</b> | <b><i>Misclassification of Employees</i></b>  | 2015               | Brief summary of the misclassification of employees as “independent contractors” issue. DOL source. 1 page.  |

## Governance Entries

|            | Title  | Date               | Annotation  |
|------------|--|--------------------|---|
| <b>G-1</b> | <b><i>Appropriations, Expenditures and Other Asset Dispositions:<br/>Role and Authority of Governing Board</i></b>     | 2010               | A summary of the legal framework within which auxiliary organization governing boards exercise decisions in concert with the campus president relating to appropriations, expenditures & other asset dispositions. 3 pages. |
| <b>G-2</b> | <b><i>Open Meeting Law Requirements Applicable to Auxiliary Organizations:<br/>A Comparison Summary Chart</i></b>      | 2001<br>(2010 rev) | A handy chart comparing the key statutory requirements of the Romero and Seymour Acts. Includes references to the respective sections in each of the statutes by each key requirement. 6 pages.                             |
| <b>G-3</b> | <b><i>Auxiliary Organization Governance Critical Factors Checklist</i></b>   | 2011               | A practical list of major factors & related questions for an engaged & responsible auxiliary organization board member. Suggested for inclusion in Board Manuals. 2 pages.  |
| <b>G-4</b> | <b><i>Auxiliary Organization Standards of Conduct and Commitment:<br/>A Policy Development and Practices Guide</i></b> | 2012               | A comprehensive monograph tracing the standards of board member conduct & the related statutory “financial interest” & “interested directors” requirements. Includes model policy & procedures. 24 pages.                   |

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| <b>G-5</b> | <b><i>The Role &amp; Responsibilities of Auxiliary Governing Boards</i></b> | 2001<br>(2012 rev) | A comprehensive survey of the auxiliary organization legal framework, including aspects relating to governing boards under nonprofit public benefit corporation law. Includes useful appendices. 57 pages.                |
| <b>G-6</b> | <b><i>“Interested Director” Transaction Decision Analysis Sequence</i></b>  | 2012               | A practical decision-sequence to judge situations involving potential “interested director” transactions. The steps assume the board has not adopted more restrictive standards than the statutory requirements. 3 pages. |
| <b>G-7</b> | <b><i>Principal Investigator Serving of Auxiliary Board</i></b>             | 2015               | Memorandum summary analysis of the issue of university PIs serving on board of auxiliary-employer. 3 pages.   |
| <b>G-8</b> | <b><i>Open Meeting Guidelines</i></b>                                       | 2014<br>(2016 rev) | An expanded set of key provisions & practices urged upon auxiliary organization governing bodies & sub-boards under Seymour Act.  |

### Compliance Entries

|            | <b>Title</b>  | <b>Date</b>        | <b>Annotation</b>   |
|------------|---|--------------------|---|
| <b>C-1</b> | <b><i>Auxiliary Organization Oversight: Dimensions and Departures</i></b>   | 2012<br>(2013 rev) | An Issue Brief analysis, with case examples, of the comprehensive external oversight functions exercised over auxiliary organizations & how they work – or not. <b>Dated.</b> 10 pages.   |
| <b>C-2</b> | <b><i>Auxiliary Organization Oversight: Why the Attorney General Cares</i></b>  | 2013               | An Issue Brief summarizing the oversight role of the AG’s Charitable Trust Section (& Registry) over auxiliary organizations as California nonprofit public benefit corporations. <b>Dated.</b> See <b>Doc C-3.</b> 2 pages.                        |
| <b>C-3</b> | <b><i>Assembly Bill 2327: Enhanced Enforcement Oversight of Nonprofit Public Benefit Corporations (Including Auxiliary Organizations)</i></b> | 2013               | Effective 1/1/13, the AG has increased enforcement authority over charitable organization activities & reporting practices. Auxiliary organizations register as charitable organizations. <i>Source:</i> State Assembly Analysis, 8/22/12. 3 pages. |
| <b>C-4</b> | <b><i>IRS Forms 990 and 1023 Disclosures: Intersecting Federal and State Requirements</i></b>   | 2015               | A summary analysis of the IRS Forms 990 & 1023 disclosure requirements in relation to the McKee Act provisions. 3 pages.  |
| <b>C-5</b> | <b><i>Auxiliary Organization Corporate Formation and Ongoing Reporting Checklist</i></b>  | 2015               | A checklist of the formation & ongoing steps/filings required of an auxiliary organization/nonprofit public benefit corporation under existing CSU practices and Corporation Code requirements. 4 pages.  |