

## GENERAL GUIDELINES FOR EXPENDITURES

1. The California State Lottery Act of 1984 states:  
  
“...all funds allocated from the California State Lottery Education Fund shall be used exclusively for the education of pupils and students and no funds shall be spent for acquisition of real property, construction of facilities, financing of research or any other noninstructional purpose.”
2. The activity funded must represent a bona fide educational experience for students, or result in the development of materials to be used with students, or lead to the development of a program or course.
3. Lottery funds **may not** be used to pay faculty salaries for classroom instruction.
4. Lottery funds **may not** be used to finance increases in the rate of compensation paid to existing staff; thus, stipends and honoraria are not permissible.
5. Lottery funds **may not** be used to finance faculty overloads. However, existing faculty may work a summer period under a personal services contract.
6. Expenditure of any funds, including lottery funds, which are used for faculty development activities must be in accordance with the collective bargaining agreement, which includes a specific list of development activities.
7. Lottery funds should be used to augment and supplement state-funded budget programs so that lottery revenue is not used to replace current or prospective state funding.
8. Lottery funds may be used to pay for part-time instructors when such instructors are hired as replacement faculty for faculty members working for a CSU lottery designated program.