

TEXAS STATE TECHNICAL COLLEGE SYSTEM
SYSTEM OPERATING STANDARD

No. FA.1.18			Page 1 of 3			Effective Date: 6/6/13		
DIVISION:			Fiscal Affairs					
SUBJECT:			Operation of Auxiliary Fund Activities					
AUTHORITY:			Minute Order #79-04					
PROPOSED BY:			<i>Original Signed by J. Gary Hendricks</i>					
TITLE:			Vice Chancellor for Financial and Administrative Services				Date: 6/6/13	
RECOMMENDED BY:			<i>Original Signed by J. Gary Hendricks</i>					
TITLE:			Vice Chancellor for Financial and Administrative Services				Date: 6/6/13	
APPROVED BY:			<i>Original Signed by Mike Reeser</i>					
TITLE:			Chancellor				Date: 6/6/13	

STATUS: Approved by MC 6/6/13

HISTORICAL STATUS: Revised May 2013
 Approved by BOR 07/23/04 MO #79-04
 Approved by MC 06/21/04
 Proposed 04/01/04

POLICY

It is the policy of Texas State Technical College to establish and operate Auxiliary Fund accounts and activities which furnish services to students, faculty, staff, or local college communities for which charges are made that are directly related to, although not necessarily equal to, the cost of the service. The Auxiliary Fund accounts and activities shall be established and operated in accordance with applicable laws and regulations.

PERTINENT INFORMATION

Auxiliary Fund accounts have been established within the college in the following areas:

A. Auxiliary Enterprises

Auxiliary enterprises are activities which essentially are self-supporting and provide goods and services to students, faculty, staff, or local college communities. Some of these activities are student and family housing, bookstores, food service, airport operations, and leased facilities. Revenues earned from these sources may be used for any lawful purpose of the college. The revenues earned from airport operations may be used only for the maintenance and operation of the airport based upon Federal Aviation Administration (FAA) requirements and regulations for recipients of FAA awards.

B. Administrative and Other

These are accounts established outside the educational and general fund group for administrative and other institutional purposes. The sources of funding for these accounts include net revenues from auxiliary enterprises activities such as housing, bookstores, food service and other miscellaneous receipts.

DELEGATION OF AUTHORITY

The Board of Regents delegates to the Chancellor or his designee the authority to establish procedures to implement this System policy. The TSTC System Chief Financial Officer has primary responsibility for defining operating procedures necessary for the administration of the Auxiliary Fund activities. The chief financial officer of each college has primary responsibility for implementation of the operating procedures and administration of the auxiliary fund activities.

OPERATING REQUIREMENTS

Each college may, after determination that the establishment of an auxiliary fund account is required, request the Comptroller's Office to establish the account. The request will contain, as a minimum, the purpose of the proposed account, the estimated annual revenue and the source of the revenue. Each auxiliary account will retain its separate identity and be reported separately. After receipt of the account number, a budget change will be submitted by the college to establish the account in the financial accounting system. Each active auxiliary account will be included in the annual operating budget submitted to the Board of Regents for approval.

PERFORMANCE STANDARDS

- A. Auxiliary Fund account balances at year end are at "break even" or better.
- B. Revenue earned from airport operations is spent only for the maintenance and operation of the airport per the contract the college has with the FAA.



COLLEGE OPERATING PROCEDURE

COLLEGE		Page 1 of
OFFICE OF RESPONSIBILITY:		
APPROVED BY:		
TITLE:		Date
FORWARDED TO SYSTEM OFFICE ON		