

# **Procedure to Establish Campus Activities or Programs at a University Auxiliary**

California State University, Sacramento

Effective January 2015

In accordance with California State University, Sacramento policy PRS-0101, Integrated CSU Administrative Manual (ICSUAM) Section 13680.00 and Executive Order (E.O.) No. 1059, the procedure below must be followed to determine proper ownership and administration of funds/accounts. Ownership includes the authority and discretion to contract for services, responsibility for business losses, acceptance of legal liability, acceptance of fiduciary obligations, responsibility for policies governing the activity or program, and primary control or discretion over expenditures.

A “campus activity or program” is one with specific functions, outside of university instruction that contribute to the educational mission of the campus. If the campus activity or program is closely related to instruction and integral to a department’s mission, the Fund/Account is University-Owned and must be placed with the University or, in rare instances, the VP for Administration/CFO may place the Fund/Account with an Auxiliary as an Agency Fund for the University (Funds Held in Trust for the University). If the campus activity or program is more independent and the Auxiliary is willing to accept ownership the Fund/Account may be placed with the Auxiliary upon approval of the VP for Administration/CFO.

Auxiliaries will provide a written request to the Vice President for Administration/CFO to establish an individual campus activity or program. This request must include the following:

- Program or activity description
- Benefits to the University and how it supports the University mission
- Funding sources
- Expense types
- Ownership and risk factors and assessment

Upon review of the above information, the VP for Administration/CFO will respond with a written determination of the proper fund/account placement from the list below:

- Auxiliary as Owner of the Fund/Account
- University as Owner of the Fund
- Auxiliary as University’s Agent
  - Justification needed to allow Auxiliary to hold/administer funds for the University
  - Granted judiciously when it is advantageous to the university and its mission
  - University is Owner of the Fund and recognizes revenue and expenses
- Not Acceptable Fund/Account for either University or Auxiliary

For questions regarding these procedures, please contact the University Controller or the Associate Vice President for Financial Services.