

<b>ADMINISTRATIVE DIVISION</b> BTRU Board of Trustees	<b>POLICY NUMBER</b> BTRU 1.14
<b>POLICY TITLE</b> University Designated Funds	
<b>SCOPE OF POLICY</b> USC System	<b>DATE OF REVISION</b> June 20, 2025
<b>RESPONSIBLE OFFICER</b> Secretary of the Board of Trustees	<b>ADMINISTRATIVE OFFICE</b> Board of Trustees

## **PURPOSE**

The Board of Trustees hereby authorizes the maintenance and expenditure of certain university Designated Funds in order to promote the goodwill of the university and to advance the university's mission through a wide range of activities.

## **PROCEDURES**

The generation and disposition of designated fund revenues shall be subject to the following provisions:

### **A. Sources**

1. Funds for designated use are to be derived from the net income from the following retail and auxiliary activities and any other revenue source as may be permitted from time to time by the applicable provisions in the annual state appropriations act.
  - a. Concessions
  - b. Campus Vending
  - c. Trademark & Licensing
2. The following restrictions shall apply to the accumulation of designated fund revenues:
  - a. Direct and administrative costs of retail activities must be met before net income is made available for designated use.
  - b. Allocations support university scholarships, the marching band and choral activities, as well as university departments including, but not limited to, the president, provost, university secretary, Development, Administration and Finance, Government and Community Relations, Staff Development, Communications, Research, Human Resources, Legal Affairs, University Technology Services, and Commencements.

- c. Because campus vending depends on the coordination and cooperation of local units on campus, a portion of the net proceeds may be distributed on a periodic basis by the University Budget Office to colleges, schools, departments, and various faculty, staff, and student entities including, but not limited to, the following:
- College of Hospitality, Retail and Sport Management (HRSM) – Club Manager’s Association of America
  - Darla Moore School of Business (DMSB)–Business Partnership Foundation
  - Administrative Employees Club
  - Maintenance Employees Club
  - Residence Hall Program Development
  - Tau Beta Pi (Engineering)
  - Department of Geography Faculty Club
  - University Libraries – Duplicating Clearing
  - School of Medicine – Columbia
  - College of Education
  - School of Law
  - College of Information and Communications
  - Society for Advancement of Chemical Science
  - College of Engineering and Computing Scholarships
- d. Allocations of all designated funds are subject to review and adjustment based on actual revenue collections and prior use of funds.
- e. Unspent designated funds shall not be carried forward unless approved during the budget process.
- f. University Bookstore
- For the Columbia Campus, University Bookstore net proceeds shall be used only for academic scholarships.

- For the Comprehensive Institutions within the USC System ( USC Aiken, USC Beaufort, USC Upstate), where the bookstore revenue is the primary or sole source of designated funds, bookstore net proceeds may be used to support the full range of activities outlined in Section B, including but not limited to travel, food, lodging, student financial aid, faculty/staff professional development, and other initiatives that promote goodwill and advance the university's mission.
  - g. Athletic venue concession proceeds at intercollegiate athletic contests shall be retained by the Athletics Department as operating revenue.
  - h. Funds generated by colleges, system campus vending operations and various continuing education program activities may be retained for designated use by the generating entity.
3. The executive vice president for administration and chief financial officer shall present a budget to the Board of Trustees Finance and Infrastructure Committee annually on the sources and allocation of monies in the university's Designated Fund.

#### B. Disposition

1. Designated Funds shall be available for use by senior university officers as allocated by the university president during the annual budget development process.
2. Expenditures from university Designated Funds may be for travel, food, lodging (over and above State-imposed limitations), and student financial aid, general support for faculty/staff professional activities and for other endeavors related to the promotion of goodwill and for the advancement of the university.
3. University Finance will prepare a report of designated funds use by the President, university Development and the Board of Trustees Secretary and provide this to Audit & Advisory Services for a quarterly review. Audit & Advisory Services shall present a report to the Board of Trustees Audit and Compliance Committee annually on these university Designated Fund expenditures.
4. All designated funds are subject to period audit by university Audit & Advisory Services.

#### HISTORY OF REVISIONS

Date of Revision	Reason for Revision
July 23, 1987	Approval of revised policy
April 24, 2015	To formally record the 1987 policy in the university policies and procedures and to document updates to the policy including current practices and departmental name changes.

April 20, 2018	Policy organization, content, and accuracy reviewed. The reporting requirements to the Board of Trustees changed from quarterly to annually. The policy was reformatted into the new policy template.
June 25, 2011	Update policy for correct position title references and to recognize correct Board of Trustees' committee assignment.
June 20, 2025	Update to section f.) University Bookstore to include new bullet points for clarity.