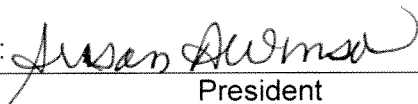
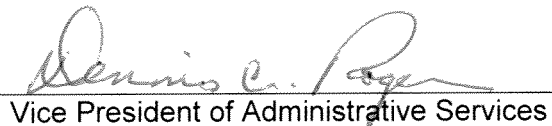


**AIKEN TECHNICAL COLLEGE
PROCEDURE**

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|------------------------------------|---|-----------------------------|
| Procedure Title: | EXPENDITURES FOR PROMOTIONAL ACTIVITIES – ELIGIBLE EXPENDITURES | Procedure Number: 6-6-107.1 |
| Institutional Authority: | Vice President of Administrative Services | |
| Associated SBTCE Policy/Procedure: | | |
| Governing ATC Policy: | 6-6-107 | |

Approved:


President


Vice President of Administrative Services

Date

Adopted: 05/12/2008

Date

Revised:

Funds budgeted for promotional activities may be expended without regard to restrictions normally placed on public funds except that all expenditures must be approved by the President. Single expenditures up to \$5,000 shall have the approval of the President. Single expenditures in excess of \$5,000 up to \$10,000 shall require approval of the President and the Chairperson of the Aiken County Commission for Technical and Comprehensive Education (ACCTCE) or the chairperson of the Commission finance committee. Single expenditures in excess of \$10,000 shall require approval of the full Commission. These funds may not be used for purposes otherwise precluded by statute, such as salary supplements for State employees or supplements to approved regulations for travel reimbursements. Individual events sponsored for College employees are not considered promotional in nature.

The remaining 80% of net income from Auxiliary Enterprises must be budgeted in the unitary budget to meet the ordinary operating expenses of the College.

ELIGIBLE EXPENDITURES

The items listed below are eligible for expenditures under the promotional account.

1. Memberships: The ACCTCE may approve service club memberships for the president, and institutional officers and other employees may be approved by the President.

2. Activities:

- a. Sponsoring individuals or groups to enhance the image or further the philosophy and mission of the College. Luncheons or dinners for advisory committees are operating expenses of the College and should be paid from the budget;
- b. Hosting of luncheons, etc. in recognition of unusual contributions or service to the College;
- c. Bestowing of non-monetary awards to individuals or groups to commemorate or memorialize contributions to the College; and
- d. Activities as listed above may also be done to enhance or further the economic development of the College service area.

3. Publications: Publications solely for the purpose of improving the image of the institution or furthering the philosophy and mission of the College may be paid from this source. This should not be confused with normal recruitment materials such as curriculum brochures or catalogs that should be budgeted and expended as ordinary operating expenses of the College

4. Other: Any other promotional expenditures not covered above must be submitted for individual approval by the SBTCE.

ACCOUNTING PROCEDURES

All expenses incurred as promotional expense within the foregoing definitions are to be classified according to the appropriate object code and grouped in a subsidiary sub account labeled "Promotional Expense" under the major program General Institutional Expense (658XXX or 6512100). Promotional expenses should not be recorded in any other program or sub account and normal operating expenses should not be recorded in the sub account "Promotional Expense".

METHOD OF DETERMINING COSTS ALLOCABLE TO AUXILIARY ENTERPRISES PROFIT AND LOSS ANALYSIS

By State law each individual auxiliary enterprise must be self-supporting and must cover the total direct operating and capital expenses of providing such facilities and services. However, generally accepted accounting principles require that auxiliary enterprises be charged all material direct and indirect costs applicable to their activities.

Direct operating costs are those that can be identified specifically with the auxiliary enterprise or that can be directly assigned relatively easily with a high degree of accuracy. Some direct cost will be recorded in the auxiliary accounts when the expense is paid while other costs will be allocated at year-end. Direct costs include but are not limited to postage, copying, printing, telephone, operating costs for owned vehicles or leased vehicles, and personal services and

fringe benefits, including compensated absences, related to the auxiliary enterprise. Costs of property insurance, utilities, custodial services, and security (if not charged directly) shall be allocated based on prorata square footage. Such square footage is to be reviewed annually and updated as circumstances warrant. In addition, the College shall allocate and charge to each auxiliary enterprise an amount to reimburse for indirect costs incurred and charged to institutional support for purchasing, voucher processing and personnel and payroll salaries of the auxiliary services as a percentage of the college salaries from unrestricted funds and applying that percentage to the departmental salaries of the above listed functions. Information technology costs should be allocated based upon guidance included in Appendix VI of the "Financial Reporting Guide for the South Carolina Technical College System".

| Procedure Review | | |
|------------------|-------------|----------------|
| Review Date | Reviewed By | Date Completed |
| 05/12/2012 | | |
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