

6.1.2 Operating Fund Policy

Pursuant to section 10a-77 of the general statutes, the Board of Trustees authorizes the Chancellor to establish and administer a fund to be known as the Regional Community-Technical Colleges Operating Fund. In accordance with the statutes, as they may be amended from time to time, this fund shall include the following resources:

- Tuition and Fee Revenues, including tuition revenues for regular credit courses supported primarily by state general fund appropriations and tuition charges; extension fee revenues for self-supporting credit and non-credit instructional and community service programs, including summer programs and business and industry contract programs; and various student fees.
- Transfers of state government appropriations as allowed by law.
- Federal, state, local and private gift, grant and contract revenues, including financial aid and scholarship grants.
- Endowment principal and earnings as allowed by law.
- Other miscellaneous revenues, including sales related to educational and auxiliary activities, commissions, interest and other miscellaneous and incidental revenues. Agency funds, including student activity and institutional welfare funds, may also be accounted for within the college operating fund.

The Board of Trustees establishes the following policy for the use of the Operating Fund, subject to such temporary exceptions as the board may approve in circumstances it deems appropriate. The Chancellor is authorized to establish procedures for the implementation of this policy, and for the management and administration of the Operating Fund and as may be necessary to comply with the requirements of state statutes, the Board of Trustees or other appropriate state agencies, and higher education financial standards-setting bodies.

Operating Fund resources are primarily [current funds] expendable for general operations which support the instructional and public service missions of the Connecticut Community Colleges. In addition, certain loan, endowment, agency and capital resources and expenditures may be included within the Operating Fund. Other than as required by external legal, donor, or other restriction, it is the intention of the Board to provide latitude to the Colleges and System Office in the use of Operating Fund resources, within the guidelines provided in this policy.

In general, Operating Fund resources may be used for any purpose appropriate to the instructional and public service missions of the Community College system, provided that they are used in accordance with externally imposed restrictions and within the context of the Board's approved priorities and plans as translated into annual operating and capital budgets, and provided that fund balance reserves are maintained in accordance with this policy. Such uses may include but are not limited to:

- personal services and related fringe benefits;

- other expense supplies, services and equipment for instructional (including direct and indirect cost of credit, credit-free, academic year, summer, and contract instruction), public service, library, academic support and student service (including educational and auxiliary activities such as child care, bookstores, food service operations, athletic programs, student centers, and other academic and student services and cultural activities), institutional support and physical plant purposes;
- student aid, refunds and waivers;
- plant additions, improvements, renewals and replacements; and
- other appropriate expenditures or use of resources consistent with the instructional and public service missions of the Connecticut Community Colleges.

(Adopted March 21, 1994; amended December 17, 2001)

6.2 Budget

6.2.1 Operating Budget

As part of the annual planning process, credit enrollment and tuition revenue goals shall be determined for the academic year in consultation with each college. Pursuant to section 10a-77 of the general statutes, the Chancellor shall establish an equitable policy for allocation of tuition revenues to the separate institutional and system Operating Fund accounts. The projected tuition revenue to be generated, along with the appropriation of resources from general revenues of the state, shall form the basis of the annual revenue and expenditure budget plan. To this basic plan, each institution shall also add a projection of the additional resources to be generated and used, in providing other instructional and public services programs and related support services under extension, grant, endowment or other activities appropriate to the missions of the college and the Community College system.

Total operating budget resources actually generated and used shall be monitored throughout the year and compared with the budgetary plan, and adjustments made as necessary to maintain spending levels within the limits of actual resources generated and available, or as desired to utilize additional resources which may be generated above the initial budget plan. Additional budget adjustments may also be made in order to maintain compliance with the Board's policy for designation of unrestricted and expendable net assets (section 6.4.3).

(Adopted December 17, 2002)

6.3 Section 6.3 Tuition & Fee Waivers Repealed July, 2002 [incorporated into 6.5.3]

6.4 Accounting and Financial Reporting

6.4.1 Generally Accepted Accounting Principles

Accounting and financial reporting practices for the Connecticut Community Colleges shall be in conformity with Generally Accepted Accounting Principles (GAAP) applicable to public institutions of higher education. The Chancellor or his/her designee shall